Daily Report

Latin America

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FBIS-LAT-90-083 *30 April 1990*

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Cuba

Castro Discusses Agrarian Reform, Elections

PY2704232290 Asuncion LA OPINION in Spanish
27 Apr 90 pp 10-12

["Exclusive" interview with President Fidel Castro Ruz by Augusto Barreto in Havana; date not given]

[Text] [Barreto] Commander, one of the most advertised aspects of the Cuban Revolution abroad is agrarian reform. Could you outline its extent in view of the fact that landownership is one of the main problems affecting Latin American peasants?

[Castro] Cuban agrarian reform was carried out in two stages. There were two agrarian reforms. When we implemented the first stage, each landowner was granted a maximum of 400 hectares. During the second stage, we handed out 650 heactares. At that time we told the peasants: "There will be no other agrarian reform. Any other evolution [as published] will have to be achieved through other means. If you want to retain this piece of land for 1,000 years, you may do so."

[Barreto] Is there a mandatory cooperative system?

[Castro] We have never forced any peasant to join a cooperative or farm. But when they age, or their sons become physicians or teachers, or they want other things because they can no longer work, we purchase the land from them and we grant them a pension. The Cuban cooperative system is completely voluntary.

[Barreto] Commander, a large group of Brazilian congressmen recently drafted a letter requesting the holding of direct elections in Cuba with the presence of international observers and human rights commissions. I believe this letter was issued during your visit to Brazil...

[Castro] Yes, this is true. This was some of the first news I received when I arrived in Brasilia.

[Barreto] How did you react?

[Castro] The first thing I thought was that the anti-Cuban campaign had had a great impact in Bazil and that the majority supported this position. But I was not discouraged; I was calm, objective. I have so many things to say to any Congress. I can propose the promulgation of four or five laws in a single minute, and I can tell legislators: "If you do what I say, I will do what you have requsted of me." Had I done this I would have put them in a terrible spot. There are so many things that are needed in a Latin American country. It suffices to mention the undernourished children that only reach the second or third grade; the high mortality rate of one-year-olds, or of children from one to five years old; unemployment; underemployment.

[Barreto] Why do you not pass a law or establish a congressional group to resolve these things?

[Castro] But this is not the case because the Cuban National Assembly of People's Power would not think of sending a letter to the Brazilian Government telling it what to do. This would be an interference [in their domestic affairs], a lack of respect, of consideration...

[Barreto] Did you have a chance to face the congressmen who signed this letter?

[Castro] No, no...something funny happened. The following day, when the new government was installed and president Collor de Mello was supposed to deliver a message to Congress, I arrive at the site and everybody greeted me with applause. Then I wondered: "Are these from the left or are they the ones who sent the letter requesting the holding of direct elections?" Later a long line of deputies stood in line to greet me, one by one.

There were deputies from all sectors, from the left and from the right. One of them was introduced to me as being a rabid rightist. He approached me and cordially greeted me by saying that he was very happy to see me there. He talked to me as a great friend. And I wondered: "But were these the ones who signed the letter. How strange are human beings. Humans act one way today and a different way the next day." Later, I forgot about it, and I became more concerned with the confusion that had been created in the minds of many journalists.

[Barreto] What confusion?

[Castro] Well, confusion regarding Cuba can be seen in the questions of many reporters. This confusion is not of bad faith, but confusion that has been disseminated. But anyway, I answered all their questions with great patience. With pleasure I answered them. On several occasions I also asked them: "Why do you not get into the depth of the problems? Why do you not go into the gist of the problems? Why do you let yourself be dragged by slogans? Why do you consent to be led by guidelines outlined by imperialism? I had to say so many things to them because no one could have imagined as much nonsense as I heard during those days. Not only nonsense, but many questions of good faith.

[Barreto] What did they ask you?

[Castro] What is going to happen in Cuba with the end of socialism in the East; when are we going to have direct elections; what about human rights violations in Cuba, and I do not know how many other things...and these things hurt me a lot, to see so many intelligent people with so much confusion.

[Barreto] How did you answer them?

[Castro] I also asked them: "Are direct elections the only ones existing in the world? Are they the only ones? Do you know whether there are elections or not in Cuba? Have you ever read the Cuban Constitution? Do you know that in Cuba we have elections every two and one-half years? Do you know how candidates are chosen in Cuba in each of the more than 10,000 electoral districts? No. They did not know.

[Barreto] How are candidates elected in Cuba?

[Castro] They are chosen by neighbors. The party cannot intervene in the election of a district delegate. And that district delegate is the one who elects all state powers; he makes up the Municipal Assembly, elects the Provincial Power, and elects the National Assembly of the People's Power; and more than 60 percent of those delegates chosen and elected by the people make up the People's Power.

[Barreto] You also said something like this, that the Spanish king was not elected democratically. According to some press reports this has caused some uneasiness in Spain.

[Castro] What happened was that I asked the reporters, as an example, whether all chiefs of state are elected directly. Then I mentioned the king of Spain, who is also a chief of state. Is he elected by direct vote? No. The kings are descendants of the Bourbons, from I do not know how many centuries ago, who had I do not know how many dynastic wars. They are not elected by democratic right but by genetic right, by the genes transmitted since Queen Isabel. However, no one goes to Spain, or no Parliament thinks of sending a letter demanding the election of the king, or the chief of state, by direct vote. Nevertheless, the king was elected 500 years ago, many more years than since I was elected president the first time. It should also be noted that I am never called "president." Everyone calls me "Fidel," because I am a neighbor of the citizens, and this is not understood. Many think that I am some almighty being, that I live in a crystal box away from the world, a god on Olympus. I hope that a letter is not addressed to me now to take away my name Fidel. Do you know how many chiefs of governments in Europe are elected by direct vote?

[Barreto] I do not know...

[Castro] Felipe Gonzalez is not elected by direct vote, nor are the Prime Ministers of Italy, West Germany, Great Britain, or Greece. None of these prime ministers are elected by direct vote. The parliament members are though, and the parliament members, through a coalition, elect the prime minister. And how are the deputies elected? By lists. Everybody knows how this trick works. A party nominates a given number of candidates and places two, three, or four at the top of the list and these are always elected. In Cuba, the people elect the delegates who elect all the authorities. I am not opposed to the method of election in those countries, but it is not a direct method. And in the United States? Do you know how many people vote in the United States?...

[Barreto] How many people vote there?

[Castro] Forty-eight percent of the electors...forty-eight percent! The rest see it as so much trash that they do not even vote. They say that two political parties exist, but there is only one. There is nothing in the world more like the Democratic Party than the Republican Party. They do not make any difference. That is the kind of alternative they have: A bourgeois party for another bourgeois party; an imperialist party for another imperialist party. The two take turns at governing. U.S. presidents are elected by 25 or 26 percent of the votes, but have more power than Roman emperors! Why do they not write to the President of the United States to change the method of election?

[Barreto] How do Cubans participate so their votes can be accounted for?

[Castro] Here, the district delegate has to regularly meet with the electors to account for his actions. We go from workers' congress to workers' congress to discuss policies with them. So we go from women's congress to women's congress, from congress to congress of the Revolution Defense Council, from student congress to student congress at the secondary school and university level, from peasants' congress to peasants' congress. There is practically no policy that is not discussed with all those organizations. This is not so in any other place in the world.

[Barreto] The years you have been in power is the most questioned point...

[Castro] Yes, they talk about the years in government. I ask them, and for how many years can Felipe Gonzalez be elected? For how many years can Kohl be elected? For how many years can Thatcher be elected? And others, and others. Some of them euphorically say, we are going to stay so many years. If Felipe had the health of Methuselah and lived 500 years and did not commit great mistakes? He can be reelected 80 times; he can be prime minister for 320 years. Nevertheless, nobody goes over there and asks him, hey, boy, how long do you expect to be here? Then, why can Thatcher, the Japanese prime minister, the Spanish prime minister, be elected 80 times, and I cannot? Why do they protest if I am elected and reelected? After all, I have not made any great mistake. Or perhaps carrying out a revolution 90 miles from the United States and resisting the imperialist blockade, hostility, calumny, war against us, and constant threats for more than 30 years; that have forced us to invest so much of our resources, energy, and make sacrifices, is the easiest thing to do in the world's history? If we did not defend our revolution, who would have come to defend it? Soviet tanks? The Soviet tanks were too far away. The tanks that could get here rapidly were North American tanks. All this leads me to think that more important than the disgrace of living so close to the United States is the luck of living so far away from the Soviet borders. We then never expected that the Soviets would come to save our revolution if we alienated the masses and made all kinds of errors. How lucky! Because a revolution that cannot defend itself is not worth saving. What good is a revolution that has to be saved?

Comments on Human Rights

PY2804002490 Asuncion LA OPINION in Spanish 27 Apr 90 p 11

["Exclusive" interview with President Fidel Castro by Augusto Barreto in Havana; date not given—first paragraph is introduction]

[Text] Asked about reports on alleged violation of human rights by the Cuban Government, Fidel Castro said that such accusations were part of a U.S. campaign against the revolution. Castro said that a phenomenon such as Stalinism in the Soviet Union "has never occurred in Cuba. We never had purges. Whenever possible, we were generous with people who committed very serious crimes."

[Barreto] What about the talk of tortured and missing people?

[Castro] We never had a single case of tortured, murdered, or missing people. Our people were educated to repudiate all kinds of torture, even in the case of the worst criminals. This attitude is the consequence of our own struggle against torture and crime. I can assure you, from what I know of past and present history, that no other people have respected human dignity as our revolution has.

[Barreto] What about the case of Armando Valladares?

[Castro] I can talk about that and many other cases. It does not matter what the imperialist media shamelessly say. All counterrevolutionary elements in Cuban jails left the country in very good health. Counterrevolutionaries leaving Cuban jails were the healthiest prisoners in the world. I could give you precise examples because we have nothing to hide in this respect.

[Barreto] What examples, Commander?

[Castro] We had 100 people killed and another 100 people injured when the mercenaries that came from the United States invaded our country at Giron Beach. Our forces liquidated the invasion and took 1,200 prisoners. In wars, soldiers sometimes fire against the enemy that surrender. But not a single one of the 1,200 prisoners in our hands was even hit by a rifle butt. This is an example of the education and principles that guide our revolution. No one can say: "I was hit with a rifle butt." They were mercenaries, but no one stayed in jail for even two years.

[Barreto] Under what conditions were they released?

[Castro] We sought a solution ourselves. We told the Yankees: "Pay us compensation, and we will ship them back to you." And that is what we did. The United States paid compensation in food for children and in medicine, and we sent them their 1,200 "heroes." We ourselves called them "heroes." Since then, they have become chiefs, generals, marshals, and I do not know what else. This act alone is enough to counter all campaigns against us. The counterrevolution wanted impunity. But I ask you: What would have happened if the situation were the other way around? If a group of invaders from Cuba attempted to occupy the state of Florida? What would have happened to them? How would they have been treated? How many years would they have stayed in jail? How many of them would have been executed?

[Barreto] What can you tell us about the execution of Ochoa and other drug traffickers? U.S. reports say that the Cuban Government was itself involved in drug trafficking...

[Castro] I can understand any charges against the revolution, but the thought that the country would solve its economic problems with the misery of others is an offense to common sense and to the intelligence of our leaders, of our country, and our revolution. Besides, the trial against Ochoa and the other people involved was public. It was broadcast live by radio and television. The entire country has witnessed that the process was open. Besides, $2 million is too little for a country that exports thousands of millions of dollars a year in sugar, nickel, agricultural products, and industrial products. Despite the United States' opinion of the revolution, it is not possible to believe that the country would sell its honor for four [as published] miserable dollars.

[Barreto] Could their lives have been spared? Was the death penalty too harsh?

[Castro] I reiterate that in some cases the revolution could be generous without hurting itself. There are many examples of this. In this case the revolution could not be generous without deeply hurting itself. But our revolutionary generosity will never discriminate against the children of the guilty ones, those innocent people for whom we also suffered and for some of whom we have also cried. I can assure you that history has never seen a cleaner trial. I agree it is hard to accept that someone can die as a consequence of a mistaken attitude or as a result of another's decision. But I also think of all those people who died to build a decent and honest country, a country without impunity. Let us just recall those who died in their attempt to build a dignified and respectable country. We were forced to be severe out of respect for their ideals and the fatherland they dreamed of.

Alarcon Meets U.S. Religious Representatives

FL2804134890 Havana Tele Rebelde Network in Spanish 1100 GMT 28 Apr 90

[Text] Representatives of nine U.S. religious congregations have met in New York with Ricardo Alarcon, Cuban ambassador to the United Nations. They had a pleasant exchange of views on the situation in our country. Alarcon explained that the tense relations between Cuba and the United States worsened recently with the beginning of illegal television broadcasts to Cuban territory by Washington. The ambassador noted that the worse thing is that U.S. taxpayers do not know

about the project's resounding failure one month after it began because of Cuba's jamming.

On another matter, Committees for the Defense of the Cuban Revolution began to be created in the entire Argentine territory to deal with the U.S. hostility and threats. The organization announced it will hold an event in a Buenos Aires cultural center on 9 May to reject the anti-Cuban television broadcasts.

Risquet Received by PRC's Jiang Zemin

FL2704185390 Havana Tele Rebelde Network in Spanish 1700 GMT 27 Apr 90

[Text] Jiang Zemin, general secretary of the Communist Party of China, has received a delegation of the Communist Party of Cuba [PCC] headed by PCC Politburo member Jorge Risquet Valdes. During the meeting, the Chinese leader favored the strengthening of friendship and cooperation with our country and reiterated the invitation extended to President Fidel Castro to visit the Asian country. Jiang Zemin and Risquet noted the agreement of ideas as they assessed the international situation and the common will to continue building socialism in their countries under the guidance of their respective communist parties.

Ends Official Visit to PRC

FL2804140390 Havana Tele Rebelde Network in Spanish 1100 GMT 28 Apr 90

[Text] Jorge Risquet Valdes, member of the Communist Party of Cuba Politburo and secretary of the Central Committee, has ended an official visit to China which strengthened the party ties existing between the two socialist countries. Risquet spoke with Chinese leaders at the national level and top authorities in Shanghai, Guangdong, and the special economic development area of Shenzhen.

Rosales Presents Castro Gift to Kim Il-song

FL2604204290 Havana Radio Reloj Network in Spanish 1953 GMT 26 Apr 90

[Text] General Ulises Rosales del Toro [rank as heard], alternate member of the Central Committee of the Communist Party of Cuba and chief of the General Staff of the Revolutionary Armed Forces [FAR], has presented DPRK leader Kim Il-song with a gift from Cuba's top leader, Fidel Castro. The Cuban military delegation, presided over by Rosales del Toro, and the DPRK leader held a cordial and friendly dialogue.

The high-level FAR delegation also spoke with officers, sergeants, and soldiers from several guard units from Panmunjom, the area containing the line [of demarcation] that divides the peninsula. The military delegation from the Caribbean island toured several installations and the meeting hall of the Military Armistice Commission. They also observed photographs of different acts of aggression committed by Yankee troops.

Begins Goodwill Visit to Beijing

FL2704203190 Havana Radio Reloj Network in Spanish 1911 GMT 27 Apr 90

[Text] Upon his arrival today in Beijing, Division General Ulises Rosales del Toro was received by Major General Fu Jiaping. The Cuban delegation is on a goodwill visit that includes tours of Chinese military installations.

Rosales del Toro, first high-level Cuban official in the PRC [as heard], is conveying the affection our revolution and Revolutionary Armed Forces feel for China and its people. His brief stay in Beijing will further expand relations between the two nations, Rosales del Toro said. He added that he will speak with his counterparts on common problems regarding rapprochement and cooperation.

The tour of Chinese military installations will include a visit to the headquarters of the Third Division of the Beijing Garrison and a tour of the city of Shi Jia Zhuang where the Land Forces academy is located.

Domestic Trade Minister Begins Visit to PRC

FL2604224590 Havana Radio Rebelde Network in Spanish 2217 GMT 25 Apr 90

[Text] Cuban Domestic Trade Minister Manuel Vila Sosa today begins a visit to the PRC in response to an invitation from his counterpart, Hu Ping. The two leaders will hold trade negotiations on consumer items.

During the initial talks, the ministers discussed designating a week to sell Cuban items in China and vice versa. This would essentially be of a promotional and informational nature to demonstrate the achievements of the two countries in the production sector.

Tanzania's Warioba Hosts Dinner for Almeida

FL2704183290 Havana Tele Rebelde Network in Spanish 1700 GMT 27 Apr 90

[Text] Cuban Vice President Juan Almeida Bosque has attended an official dinner given in his honor by Joseph Warioba, prime minister and first vice president of Tanzania. Almeida has been in Tanzania since Monday [23 April] on the third leg of a tour which has included Zimbabwe and Zambia. During the ceremony, the head of the Tanzanian Government praised Cuba for the decisive aid given to Africa and asserted that the Cuito Cuanavale Battle in Angola changed the history of the continent.

Outgoing Envoy Meets Cambodia's Heng Samrin

FL2604211390 Havana Radio Reloj Network in Spanish 1955 GMT 26 Apr 90

[Text] Cambodian President Heng Samrin has reaffirmed his government's support for the people of Cuba against U.S. provocations, Phnom Penh radio reported

today. Heng Samrin, who is also general secretary of the Kampuchean People's Revolutionary Party, made these remarks when he received Cuban Ambassador Viriato Mora, who is concluding his diplomatic mission in that country. The Cambodian president described the Cuban diplomat's work as an active contribution to the consolidation and development of the traditional ties of friendship and solidarity between the two countries.

Mora was previously received by Prime Minister Hun Sen who also expressed his support for Cuba and briefed Mora on the current situation in the Indo-Chinese nation, as well as on the progress of efforts to solve the Cambodian dilemma.

Fernandez Meets With Latin American Presidents

FL2604234890 Havana Radio Rebelde Network in Spanish 2330 GMT 26 Apr 90

[From the "Exclusivo" program]

[Text] Latin Americans who attended the inauguration of the new Nicaraguan Government have repudiated the U.S. television aggression against Cuba. Cuban Vice President Jose Ramon Fernandez said that this sentiment was conveyed to him in Managua by several guests with whom he had bilateral contacts.

Fernandez held talks there on global issues with the presidents of Venezuela, Colombia, Ecuador, and Honduras, as well as with the OAS secretary general and others. The Cuban leader also met with the new Nicaraguan president, Mrs. Violeta Barrios, and with Antonio Lacayo, presidency minister.

Fernandez said he found that the Nicaraguan authorities were clearly willing to maintain a good level of relations with Cuba. Nevertheless, he clarified that these matters cannot be settled in just one visit and should be cause for subsequent analyses.

Diplomat Calls for Better Caricom Relations

FL2604221790 Bridgetown CANA in English 2111 GMT 26 Apr 90

[Text] Bridgetown, Barbados, April 26, CANA—Cuba says it is keen on maintaining and expanding relations with the Caribbean Community (Caricom) countries beneficial to the interest of both sides. Ambassador Jorge Servino Mansur told reporters that Havana is keen on "maintaining and expanding" the relationship "that is in the best interest of the peoples of Cuba and Caricom."

The Cuban diplomat, who is accredited to Barbados and Trinidad and Tobago, held meetings here with Foreign Minister Maurice King and cultural and media representatives during a four-day visit.

During an informal meeting with media officials, a half-hour documentary was shown on the controversial TV Marti project aimed at Cuban viewers. The project has been praised by some and condemned by others as a violation of the conventions of the International Telecommunications Union (ITU) by the United States. Produced by the Centre for Cuban Studies, the film, "Export TV—Anatomy of an Electronic Invasion," includes the views of Americans and Cubans who are critical of the project.

Among the Americans who appear in the documentary is former official of the U.S. interest section in Havana, Wayne Smith, who said the project was "a blatant violation" of the ITU. He said that it could lead to a further worsening in U.S.-Cuba relations.

Commentary Reflects on New Nicaraguan Government

PA2804023790 Havana International Service in Spanish 0000 GMT 26 Apr 90

["Our America" commentary read by Manolo Ortega]

[Text] The new Nicaraguan President, Violeta Barrios de Chamorro, assumes office amid a tense political climate. She is under pressure by counterrevolutionary forces that have reluctantly agreed to demobilize; she faces a serious economic situation, and she is to confront the future with a cabinet that has prompted all kinds of rumors.

Since the National Opposition Union [UNO] won the elections, a sad sensation of finality has apparently permeated the people's sectors in the country because this government could destroy all the revolution's attainments. Without resignation, but with a fighting spirit and renewed strength to confront adversity, Nicaraguans have prepared themselves since February for a battle that will no longer be of an armed or electoral nature. Nicaraguans are completely aware that regardless of who the new officials are, they must take people to account. As can be expected, although the country is not experiencing the same festive climate that surrounded the 1984 elections when the Sandinist Front won, there are great expectations regarding the new government's first steps.

Now that we are talking about first steps, we believe it timely to note that President Violeta Barrios de Chamorro will assume the country's command and, at the same time, be its defense minister. There is the possibility that the person who previously headed such an important ministry, Humberto Ortega, will be designated the new Army commander. This possible designation seems to have already caused the first friction between the president and her slate companion, Vice President Virgilio Godoy. Godoy stated that he personally did not agree with the possible designation of Ortega to command the Armed Forces.

Meanwhile, large and small difficulties multiplied even prior to the new government's taking power. Thus, the future vice president manifested his disagreement with some government measures without considering that his own prestige is seriously challenged by the charges of

corruption that are hanging over him for his relations with the West German Freiderich Neumann Foundation.

Amid such a curious and suspense-filled situation, the counterrevolution that caused the Sandinist Front's government so much bitterness, must start to demobilize, work to reconstruct the country, and thus comply with its commitments. It can follow no other road because the government it wanted so much is now in power.

Concerning the economic situation, this is another big challenge for the UNO government. However, the Nicaraguan rightist alliance is waiting for aid that its U.S. friends promised a long time ago. However, an uncertain future has opened up for Nicaragua and the danger of war lingers with those same counterrevolutionary forces if the demobilization is not completed.

Commentary on 'Tense' U.S.-Mexican Relations

PA2904145790 Havana International Service in Spanish 0020 GMT 29 Apr 90

["Our America" commentary]

[Text] Drug trafficking, the cause of the most recent bilateral displeasures, is threatening to break the tense thread that holds together the relations between Mexico and the United States.

The tension was inopportunely heightened when Mexican physician Humberto Alvarez Machain was kidnapped last week and taken to the United States, where a Los Angeles court has charged him with participating in the 1985 murder of Enrique Camarena, a U.S. DEA agent.

Meanwhile, sources from the Mexican Attorney General's Office have reported the arrest of four members of Guanajuato's Judicial Police, who are believed to have been paid huge sums of money for turning over Alvarez Machain to a DEA member, identified by the local press as Hector de Reyes. NOTIMEX reported that De Reyes is in charge of investigating Camarena's murder.

So much for the facts that have motivated the just complaints of Mexican authorities, because, in addition to the fact that the DEA carried out illegal actions on foreign territory, the physician was also kidnapped and clandestinely taken to the United States without requesting extradition from the Mexican Government.

The kidnapping of Alvarez Machain is even more irritating because just days ago, during the inaugural ministerial meeting of the alliance of the Americas against drugs which was held in Ixtapa, President Carlos Salinas de Gortari criticized the arrogant and false attitude of the United States regarding its respect for the sovereignty of other countries in the struggle against drugs.

The fight against drug trafficking must not be used as a pretext for violating the law of one's own territory or someone else's, because the law is not being respected by acting illegally and by measuring one's own territory with a ruler of justice and foreign territory using another ruler, the Mexican president added.

In direct reference to a U.S. Supreme Court ruling allowing DEA agents to act abroad without the knowledge of local authorities, Salinas de Gortari said that it is improper and unacceptable. He said that the rulings of judicial bodies outside Mexican borders cannot be honored because honoring them would constitute a violation of the most basic principles of international law.

Regarding the case of the kidnapped physician, and taking advantage of U.S. Vice President Dan Quayle's visit to Mexico, President Salinas expressed his profound displeasure over the incident that once again has violated the sovereignty of this Latin American country.

As expected, Quayle denied that DEA agents had participated in the kidnapping, and he hypocritically pointed out that his government would not violate the sovereignty of other countries. What would have happened had the incident occurred in the United States? Would the Bush administration have tolerated the kidnapping of a U.S. citizen to take him to Mexico to face trial there? There would have been an unprecedented scandal.

Washington is arrogant and contemptuous toward all Latin American countries and is unable to cover up its plan to find a scapegoat for drug trafficking outside the borders of sacred U.S. territory. The abuse and lack of respect reflected by incidents such as the one we are commenting on today in no way helps bilateral relations between Mexico and the United States. Quite the contrary, they harm them more day by day.

Malmierca Advocates Change in Economic Order

FL2604122090 Havana Tele Rebelde Network in Spanish 1100 GMT 26 Apr 90

[Text] Cuban Foreign Minister Isidoro Malmierca spoke at the special session of the UN General Assembly and advocated a transformation of the current system of international economic relations which hinders development and condemns Third World countries to poverty and dependency. The Cuban foreign minister warned that it is very difficult to be successful when the prevailing order makes it possible for the United States to exert economic coercion over small countries and apply a total economic embargo, as it does against Cuba.

The developing world, Malmierca said, has to confront an adverse system of international relations in which protectionism, unequal terms of trade, the trend of falling prices for basic products, and the debt crisis persist. The Cuban foreign minister added that the problem of indebtedness continues to become worse, and the constant transference of resources has continued.

Raul Castro Attends Meeting of Youths in FAR

FL2704153590 Havana Radio Reloj Network in Spanish 1402 GMT 27 Apr 90

[Text] Army General Raul Castro Ruz, second secretary of the Communist Party of Cuba Central Committee, is presiding over the second meeting of leaders and members of the Union of Young Communists [UJC] in the Revolutionary Armed Forces [FAR] being held in Havana. Some 500 delegates invited to the meeting placed a floral wreath at the foot of the Jose Marti Monument in historic Revolution Square this morning.

The main report presented during the event values the political-ideological influence the UJC organizations have in the FAR; the combative preparedness of the troops, the results of the Technical Youth Brigades in the units, and sports activities. The results of emulation by the youth to achieve the category of best command in the work of communists will be announced during this second meeting of leaders and members of the UJC in the FAR.

Urges Food Self-Sufficiency

FL2804181590 Havana Tele Rebelde Network in Spanish 1700 GMT 28 Apr 90

[Excerpts] The second meeting of leaders and members of the Union of Young Communists in the Revolutionary Armed Forces [FAR] continued in that armed corps today presided over by Army General Raul Castro, second secretary of the Communist Party of Cuba Central Committee and minister of the FAR. In the morning, the participants discussed the experiences of the youth organization in the increased combative readiness and training. [passage omitted]

Another of the subjects discussed was the boosting of the food program by youth movements. A delegate proposed that the FAR become self-sufficient in a short period of time by maximizing use of the unit's land. Raul expressed an important reflection on the matter.

[Begin Castro recording] In the next five-year period, we have to be able to become self-sufficient in all the goods we can produce. We have already been able to be 48 percent self-sufficient in various types of meat, and about one third self-sufficient in the other goods we can produce. We have to reach 100 percent during the next five-year period. This can be done by using our land that we have not used properly. The most important thing is to free the economy from those expenses. In this way our people will be able to receive more goods. [end recording] [passage omitted]

Eight Suspected Drug Traffickers Arrested

FL2704141190 Havana Radio Rebelde Network in Spanish 1155 GMT 27 Apr 90

[Text] The Ministry of the Interior [Minint] reports that between 19 March and 23 April 1990, two rapid cigarette-type [tipo cigarreta] launches, model Scorpion 322 and Mirage numbers [folios] 1574 and 4316, were captured by combined forces of the Minint and the Revolutionary Armed Forces. Coming from the United States, these launches violated our jurisdictional waters in the area of Cayo Cruz, Esmeralda Municipality, Camaguey Province.

Three people were arrested in the first launch, and five people in the second; there were six men and two women. Six are Cubans living in the United States; one says he is Colombian, and one American. In preliminary questioning they all confessed to habitually working in drug-trafficking activities. In the last five days and as a result of this questioning and of the investigations carried out in the area of Cayo Cruz near where the last launch was captured, five sets of 15 containers of bags of cocaine with a total weight of 500 kg were discovered buried or hidden under bushes. The MININT note adds that it should be pointed out how sophisticated the captured launches are, which can travel at high speeds and have the most modern radio sets and satellite navigation equipment.

According to their statements, those arrested say their names are Belinda Bautista Bernal; Evelio Leiva Meisoso; Johnny Jairo Sanchez Barbosa; Jose Parrado Martinez—known as "Chipla"—Juan Carlos Viera Gonzalez "El Gordo"; Andres Pintado Perez, "El Gato" and "Chuche", Osvaldo Mederos Castellanos—known as Pichinile—and Daisy Beatriz Alvarez. Those arrested are being taken to Havana. The investigations continue, the results will be reported to the appropriate authorities, and the countries from which those involved originate will be informed.

Over 100 Soviet Soldiers To Receive Treatment

FL2704150090 Mexico City NOTIMEX in Spanish 0136 GMT 27 Apr 90

[Text] Havana, 26 Apr (NOTIMEX)—Cuban health authorities are getting ready to receive in 1990 over 100 Soviet soldiers disabled in the Afghan war. They would join the 14 Soviet soldiers who have been receiving treatment on the island.

Frank Pais Hospital Director Rodrigo Alvarez Cambras traveled to Moscow today to select the Soviet soldiers who would be treated in Cuba, where specialized treatment is available for bone injuries.

Likewise, a group of six Soviet veterans disabled during the Afghan war returned to their country today after being treated in specialized Cuban treatment centers.

Before leaving for the USSR, Alvarez Cambras told the press that Cuban President Fidel Castro personally assigned him the mission of offering help to Soviet soldiers disabled in the Asian conflict.

1,000 Chernobyl Children To Come for Treatment

FL2804132990 Havana Tele Rebelde Network in Spanish 1100 GMT 28 Apr 90

[Text] According to reports issued in Moscow, 1,000 children from Chernobyl will begin arriving in Cuba on 15 June. It was explained during a work meeting chaired by Igor Denisov, Soviet Health Minister and Jorge Antelo, Cuban first public health vice minister, that they are part of the 10,000 children Cuba will receive according to the offer made to the Soviet Government by our Commander in Chief Fidel Castro. Already in Cuba are 138 children affected by the consequences of the Chernobyl accident. They are receiving careful medical attention.

Specialized medical treatment for Soviet internationalist combatants who participated in missions in Afghanistan was also discussed during this meeting. Another matter dealt with was Cuban aid for the creation of specialized dental clinics in the USSR. The Cuban side will not only cooperate in the construction of the dental clinics in various USSR regions but will also provide the specialized personnel for the services provided to the Soviet population.

It was also reported that Cuba will export to the Soviet Union medicines such as melagenin, interpheron, vaccines against meningitis and hepatitis type b, and skin-growth factor. Regarding high-technology medical equipment, Cuba will send Medicit, Cardiocit, Neurocit, Neuronica, Said, Based, Video Voice, and the Ultra Micro Analytic System.

Electricity Union Explains Power Shortage

FL2804012290 Havana Television Service in Spanish 0000 GMT 28 Apr 90

[Text] The Electricity Union wishes to inform the population that its generators have been affected by a breakdown that occurred yesterday in the conductor supplying water to the Antonio Maceo thermoelectric plant in Santiago de Cuba. Because of this, the nation's ability to generate electricity is less than what is demanded during peak hours and at other times. As a result, the supply of electricity was affected throughout the entire country today.

Bahamas

Assault Charges Filed Against Prime Minister

FL2604225290 Bridgetown CANA in English 2145 GMT 26 Apr 90

[Text] Nassau, the Bahamas, April 26, CANA—An opposition politician has filed assault and battery charges with the police against Bahamian Prime Minister Sir Lynden Pindling. Dion Folkes, secretary-general of the opposition Free National Movement [FNM], claimed that Sir Lynden hit him in the face with a manila file at Parliament Square in Nassau during a demonstration. The charges were filed Wednesday [25 April].

About 150 opposition supporters were on Bay Street with placards to welcome Hubert Ingraham, the FNM's new parliamentary leader, when the House of Assembly opened after the Easter recess. Parliament Square was barricaded to keep the crowd out.

Ingraham, a former minister of the ruling PLP [Progressive Liberal Party] government, was elected to his new post with the blessing of opposition leader Sir Cecil Wallace-Whitfield, who is seriously ill in a Miami hospital.

Dominican Republic

President Balaguer Swears In New Officials

FL2704200590 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 27 Apr 90

[Text] Dominican President Dr. Joaquin Balaguer has sworn in Dr. Attilio Guzman Fernandez as the person in charge of the Secretariat of State for Interior and Police for the duration of the leave granted to Manuel de Jesus Estrada Medina, head of that secretariat. The swearing in ceremony took place in the president's office at the National Palace. Also sworn in during the ceremony were Dr. Cahonabo Polanco, as public health under secretary based in Santiago Province, and the Balaguerista Commando Movement members from the same province. Among the members of the movement supporting Dr. Joaquin Balaguer's reelection are: Eladio Antonio Diaz, Nicolas Diaz, Tomas Perez, Juan Grullon, Ulises Polanco, and Rafael Diaz.

Pena Gomez Does Not Rule Out Possible Alliances

FL2704194690 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 27 Apr 90

[Text] Dr. Jose Francisco Pena Gomez, president of the Dominican Revolutionary Party, PRD, has said he does not rule out possible alliances between the organization he leads and other political forces. Speaking to the Association of Businessmen and Industrialists of Santiago, the PRD presidential candidate said that according to the current electoral framework, the elections will be decided between the PRD and the Dominican Liberation Party.

Pena Gomez promised the people from Santiago that if he won the upcoming elections his government will open a customs subdirectorate in Santiago to facilitate exports and imports in the region.

Explaining aspects of his government program, the PRD leader told the Santiago area businessmen that if he wins the elections he will eliminate export taxes.

Grenada

Blaze Destroys Group of Government Offices

FL2804153290 Bridgetown CANA in English 1425 GMT 28 Apr 90

[Text] St. George's, Grenada, April 28, CANA—A fire of unknown origin on Friday [27 April] night destroyed a number of Grenada Government offices including that of new Minister of Finance George Brizan.

Fire officials said the four-hour blaze started on the second floor of the building which also housed the Treasury, the Post Office, the island's Revenue Department and the director general of government finances.

A fleet of government vehicles parked in the compound was also destroyed as fire officials battled low water pressure in putting out the blaze, described as the worst in Grenada's history.

The Coast Guard cutter "The Tyrell Bay" was also used in battling the fire which also destroyed the Printery, Budget and Planning Unit, Documentation Centre and Stationery Department.

Officials said damage is estimated at millions of dollars.

Haiti

400 Demonstrate 26 April Without Incident

FL2604202990 Port-au-Prince Radio Metropole in French 1600 GMT 26 Apr 90

[Excerpts] [Announcer] Approximately 400 people demonstrating in Port-au-Prince at the call of several populist organizations are demanding justice and protesting the high cost of living. The march began shortly after 1000 in front of Saint Jean Bosco Church. It was stopped by the police at approximately 1030 at the Grande Rue and diverted onto Saint Martin Street; Vaillant Street is the final destination. [passage omitted]

[Reporter] [passage omitted] Evans Paul, Marineau Etienne, and Jean Auguste Mesyeux are asking the demonstrators to remain before the bandstand to hear their message. However, the demonstrators are hostile to the idea and declare outright they have no leader. They say their only leader is Pere Lebrun—meaning the tires they put around people's necks before burning them. What the demonstrators are demanding most is a decrease in the cost of basic goods. [passage omitted] Thus, they are asking the government to do whatever it takes to lower the cost of living in Haiti, which is extremely high. [passage omitted]

This is Mobile Unit 20.

[Announcer] Thank you, Mobile 20.

Government Chooses CEP Representative

FL2604210090 Port-au-Prince Radio Metropole in French 1600 GMT 26 Apr 90

[Text] The provisional government has designated lawyer Pierre Gonzales to be its representative on the Permanent Electoral Council [CEP]. The director general of the Ministry of Justice has informed the daily paper LE NOUVELLISTE that the complete list of CEP members will very soon be officially published in the press.

University Choice Protested

FL2704174190 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 27 Apr 90

[Excerpts] The Port-au-Prince Teachers Association [AEP], the Association of University-Level Teachers [Apesup], the National Federation of Haitian Students [Feneh], the administration of the Faculty of Ethnology, the administration of the Teachers' Training School [Ecole Normale Superieure], the administration of the Faculty of Sciences, and the secretariat of the teaching corps of the Faculty of Sciences have written the minister of justice to inform him that they are not in favor of the matter of seven deans' returning Rony Durand to the electoral council [CEP] as the university's representative. They say that it cannot be done this way. [passage omitted]

It must be all the parties concerned and not just seven deans who choose the university's representative to the CEP. These organizations say they firmly denounce the seven deans in question, who can under no circumstances set themselves up as a university council to try to return Rony Durand to the CEP, as well as seek to hold back the process (?already under way). By acting this way, the seven deans clearly show that they are not in favor of the transitory dispositions that exist at the level of the university—the only text on which the representatives of all parties within all faculties agree.

Therefore, by making such a decision among themselves, behind closed doors, they are clearly showing that they are not in favor of participation by everyone and this could delay the proper march of events, and hold the CEP back and prevent it from doing its job properly. Also, the matter of representation within the CEP would not be taken seriously.

They say it is important for the government to issue as soon as possible a decree giving the existing transitory dispositions the force of law so that, without a long delay, we can manage to—by 18 May, on the occasion of the day of the university—be on the scene with a truly representative [?university] council and a person to represent the university on the CEP chosen by everyone concerned at the university level.

These groups add that at every faculty in which the election process and general participation has already been liberated (?in connection with the matter), they are

going to hasten to trigger a series of mechanisms necessary to choose in a democratic manner their representatives—who, along with the other members of the university council elected or confirmed, will define within the framework of democracy, their representation at the CEP level.

Officials Say Leslie Manigat To Return in May

FL2604160990 Port-au-Prince Radio Antilles Internationales in Creole 1030 GMT 26 Apr 90

[Text] Assembly of Progressive National Democrats [RDNP] officials in Aquin ask all RDNP sympathizers to prepare for the return of Leslie Francois Manigat at the beginning of May. These RDNP officials announce this in a press release they have sent our reporter in the area.

Jamaica

Foreign Minister Criticizes IMF, World Bank

FL2604174890 Bridgetown CANA in English 1524 GMT 26 Apr 90

[Text] United Nations, April 26, CANA—Jamaica has taken a crack at the International Monetary Fund and the World Bank, saying they were pushing developing nations into more economic troubles instead of helping. They are doing so, Jamaica charged at the United Nations, by forcing Third World states to adopt "extreme" and drastic adjustment programmes, becoming too involved in the economic management of the world's poorer countries and by compelling many of them to pay back more money to the development institutions than they are receiving from them in the first place.

In an address to a special session of the UN General Assembly that is looking at how developing countries can rebound from the serious economic troubles in which they find themselves, Jamaica's foreign minister, David Coore, called for changes in the way institutions like the IMF and the World Bank operate so that they could restructure or defer Third World debts.

Alternatively, Coore proposed the setting up of a "refinancing fund" whose resources could be used to prevent developing nations from becoming "net transferers of resources."

"The operating modalities of these institutions," he said, "do no emanate from any extra-terrestrial source.

"They can be changed by the decisions of their board of governors whose boards are in turn controlled by the voting power of the major industrialized and creditor countries. This is a change that can be made without either endangering the financial health of those institutions or imposing any significant incremental cost to member countries."

In Jamaica's case, the foreign minister complained that while only 10 per cent of his country's foreign debt was held by commercial banks, some 40 per cent was owed to the multilateral financial institutions. And because the institutions' policy rules prevented them from either restructuring or refinancing loans, Jamaica "experienced" a "significant net negative transfer" to the funds between 1987 and 1989.

"This is a wholly ridiculous situation and unless some way is found to correct it, then these institutions will cease to be part of the solution to the problem of scarce foreign exchange and resulting economic stagnation and become a part of the problem itself," he said.

Coore told the UN that partly by "deliberate design" and "default" the IMF and the World Bank were exercising "a controlling power over the basic economic and financial strategies" as well as over the "micro economic management" of developing states.

"They are using this power," he went on, "to enforce, often in the most extreme form, a specific ideological model of economic management. This not only conflicts with the basic expectations of people that their sovereign governments have the responsibility for taking fundamental economic and social decisions but is not necessarily relevant to the same extent."

As he saw it, multilateral institutions were using the need of developing countries to undertake "structural adjustment programmes" to force them to remove subsidies from basic necessities, devalue their currencies, adopt "undifferentiated interest rates," and remove protective tariffs.

"Failure to follow these policies results in the denial, not only of access to the funds of these institutions themselves, but increasingly to any form of commercial or even bilateral credit," Senator Coore added.

"These policies reflect the current preoccupation of the major industrial countries who also control the multilateral institution," he said.

The policies might work "very well" for industrial nations but such "ideological dogmas" are often pushed aside by the rich nations "when it appears to be in their best interest to do so," he remarked.

Soviet Delegation Concludes Two-Day Visit

FL2704222990 Bridgetown CANA in English 2152 GMT 27 Apr 90

[Text] Kingston, Jamaica, April 27, CANA—A four-man parliamentary delegation from the Soviet Union ended a two-day visit to Jamaica expressing friendship and a willingness to cooperate with the peoples of the Caribbean. The delegation headed by Boris Miroshin was here to exchange views on parliamentary procedure in both countries.

Miroshin expressed satisfaction with the development of Soviet-Jamaican relations in different fields and said that he hoped that the Soviet Union and other countries of the region could develop areas of cooperation. The Soviet Union, he said, was not interested in imposing its ideology or conduct on any nation but only sought to cooperate in areas of mutual benefit.

The delegation was in Jamaica as part of a Caribbean tour which includes the Bahamas, the Dominican Republic, and Barbados.

Trinidad and Tobago

Minister Seeks 'Continued Help for Third World'

FL2604170790 Bridgetown CANA in English 1508 GMT 26 Apr 90

[Text] United Nations, April 26, CANA—Trinidad and Tobago doesn't want the world's rich countries to short-change developing nations while Eastern Europe gets more development aid. Trinidad and Tobago put forward a plea for continued help for the Third World at a special session of the United Nations General Assembly.

Winston Dookeran, Trinidad and Tobago's minister of planning and mobilization, told the diplomats that as the situation unfolded in Eastern Europe necessary steps must be taken to maintain a "world balance of financial flows" so as to ensure an equitable development of all nations.

Eastern Europe has been getting more aid from the West following the collapse of some hardline communist government. [Words indistinct] of rate of growth of national income had already led to an elite [passage indistinct] development of people. In addition, he believed it said little of the costs and benefits of economic performance.

Dookeran emphasized the need for more technology to be transferred to the developing nations so they could deal with serious global environmental problems.

Salinas, Quayle Discuss Alvarez, Drug Cooperation

PA2704150690 Mexico City Red Nacional 13 Imevision Television in Spanish 1300 GMT 27 Apr 90

[Text] U.S. Vice President Dan Quayle has stated that the United States and Mexico could establish, on a request from President Carlos Salinas de Gortari, new agreements to fight drug trafficking.

During a two-hour meeting between the two officials, the Mexican president stated his displeasure over the kidnapping of Dr. Humberto Alvarez Machain.

President Salinas and Vice President Quayle talked in Los Pinos for approximately two hours. They discussed Central America, investments, trade, and drugs.

Afterward, Dan Quayle held a news conference during which he announced that the United States and Mexico could establish new antidrug-trafficking agreements based on a specific request from President Salinas. Dan Quayle believes that the struggle against drug trafficking is very important because of the impact it has on Mexico and the United States.

President Salinas, however, stated his profound displeasure over the incident involving Dr. Alvarez. He said: We have to establish new rules of understanding between our two countries regarding cooperation on the drugs issue.

The U.S. Vice President said that George Bush's commitment to Mexico's sovereignty is firm and strong. He said there is no doubt that the United States respects the sovereignty of Mexico and other countries, and noted that the United States preaches and practices the rule of law.

Vice President Quayle said that the U.S. Government is open to new ideas on expanded cooperation in the struggle against drugs. He said that during his meeting with President Salinas the two discussed how Mexico could become an example of economic development for Latin America. The two also discussed Nicaragua, and Quayle said that it is now time for aid to flow into Nicaragua.

Mastermind of Alleged Kidnapping Identified

FL2804123590 Mexico City NOTIMEX in Spanish 0350 GMT 28 Apr 90

[Text] Mexico City, 27 Apr (NOTIMEX)—It was officially reported today that Antonio Garate Bustamante, who is said to be a U.S. DEA agent, masterminded the kidnapping of Mexican Dr. Humberto Alvarez Machain. The Attorney General's Office [PRG] indicated that the alleged DEA agent masterminded the kidnapping of Alvarez Machain, who was taken by force to El Paso, Texas on 3 April.

The PRG explained that on that day the doctor was kidnapped by Jorge Covarrubias Manrique, El Coquis; and El Chiquilin, former agent of a Mexico City corporation no longer in existence, and the former commander of the police of the central State of Hidalgo. It added that the latter hired Jose Pedro Moreno Vazquez and Rodolfo Escobar Carrillo, group chiefs of the Judicial Police of the State of Guanajuato, whom he commissioned to find a hotel where they held the doctor for a night.

The PRG reported that Jose Pedro Moreno Vazquez; Rodolfo Escobar Carrillo; and Antonio Arreguin Ribiales, owner of the Cubilete Hotel located in the central State of Guanajuato; have been arrested. The three detainees will be taken before the appropriate judge with charges of unlawful detention in the modality of abduction, kidnapping, and criminal association.

It noted that the material authors of the kidnapping: Antonio Garate Bustamante, who organized the kidnapping; Jorge Covarrubias Manrique; Marcos Vazquez Lozano; Antonio Zamora; Jesus Gamberos; Alfredo Suarez; and Marcos Suarez, are at large.

The PRG stated it will file an arrest warrant against them and indicated that the search to find them has been intensified. The appropriate legal measures will be taken if they are abroad. The PRG added that the involvement Alvarez Machain may have had, the illegal way in which he was kidnapped and taken to the United States with no consideration to the norms regulating relations between the two countries, is not justified. The PRG said nobody in America wants the law of the jungle to prevail.

The PRG added athat the supreme mandate to live in a state governed by laws was undoubtedly stressed at the eighth international conference for the control of drugs, which closed in Mexico City today, with the participation of 22 countries of the Americas.

Alvarez Machain was kidnapped on 3 April and taken to El Paso, Texas, where he was handed over to the DEA which later took him to Los Angeles, California. The antidrug agency, in turn, handed him over to a federal court which is investigating the killing of DEA agent Enrique Camarena Salazar in the western City of Guadalajara, Jalisco, in February 1985.

According to Federal Prosecutor Manuel Medrano, the doctor gave medicine to Camarena Salazar when he was tortured before he was killed by drug trafficker Rafael Caro Quintero.

U.S. press reports assured that the DEA offered between $50,000 and $100,000 as a reward for the capture of Alvarez Machain.

The Mexican Government submitted a formal protest to the U.S. Government for the illegal detention of the Jalisco doctor and the U.S. Attorney General's Office offered to investigate the case.

Although the DEA denied having paid the reward, it admitted that it regularly pays its collaborators from other countries.

According to reports, the PRG reportedly suspended the exchange of information with the DEA on drug trafficking as a result of the incident. Nevertheless, the PRG denied this. Attorney General Enrique Alvarez del Castillo said today this decision can only be taken by the Mexican Foreign Secretariat.

Five Arrested on Kidnapping

PA3004162090 Mexico City Red Nacional 13 Imevision Television 1311 GMT 30 Apr 90

[Report by Alfredo Martinez Aguilar]

[Text] The Attorney General's Office has reported the arrest of five persons in connection with Doctor Humberto Alvarez Machain's kidnapping, adding that three others have been released after it was ascertained that they did not participate in the kidnapping.

Jorge Covarrubias Manrique was arraigned before the 6th Penal Judge on 29 April for suspected participation in Dr. Alvarez Machain's kidnapping. The Attorney General's office has reported that Francisco Nexacualcoyotl Lara Coz was arrested along with Covarrubias Manrique for his alleged complicity in the crime.

Covarrubias Manrique admitted in his deposition to the public prosecutor's office that he organized Dr. Alvarez Machain's kidnapping and that it was directed by Francisco Sosa, a.k.a. El Pancho, and Jesus Camberos, both of whom are still sought by the authorities.

In addition, Jose Pedro Moreno Vasquez, Rodolfo Escobar Carrillo, and Alvaro Antonio Arreguin Rubiales have been arraigned before the same judge; and Nabor Sanchez castro, Bernardo Estefania Mena, and Jorge Castillo del Rey have been released.

Salinas Issues Decrees To Strengthen Exports

FL2804151490 Mexico City NOTIMEX in Spanish 0357 GMT 27 Apr 90

[Text] Mexico City, 27 Apr—Mexican President Carlos Salinas de Gortari issued today three decrees to strengthen the development of national exports. The decrees will regulate the creation of foreign trade enterprises and the program for temporary imports to produce exports goods, and will create the system for enterprises that export heavily.

Salinas de Gortari reported these actions during the sixth national meeting of the joint commission for the promotion of exports which was held at the official residence of Los Pinos.

A horticulture and floriculture export project was presented during the event. Some $500 million will be invested in the project and 50,000 jobs will be generated. Producers from seven states in the country will participate in the project. It is expected that $400 million a year will be generated.

The first decree will facilitate the establishment of enterprises specialized in international marketing and will encourage their efficiency and profitability. It will also reduce and simplify the paperwork for the creation and operation of foreign trade enterprises; it establishes the minimum amount of capital needed for its creation, and the price of exports, among other measures.

In the meantime, the program for temporary imports for the production of export goods simplifies and improves the operation of this system. It allows the enterprises to freely select among suppliers in the country and abroad. In this way, the regular supply of raw materials and machines needed by export enterprises to be competitive in international markets will be guaranteed. In addition, it allows this mechanism to be used not only by the manufacturing industry but also by any exporter of non-oil goods. The livestock and agricultural, fishery, and mining sectors will benefit from this.

The decree replaces the production-line concept with the exporting project to facilitate the terms of period of stay and transference of goods as well as the taxes for temporary imports and direct exports.

The third decree regarding the enterprises that export heavily, will provide favorable administrative conditions for the operation of enterprises which generate a lot of currency.

The work of the commission in the areas and regions was assessed during the meeting. It was noted that 84 state and 50 regional meetings were held in the last seven months.

Six Cooperation Agreements Signed With Belize

PA3004040290 Mexico City Red Nacional 13 Imevision Television in Spanish 1300 GMT 27 Apr 90

[Text] Mexico and Belize have signed six cooperation agreements that will strengthen bilateral relations. At a meeting in the National Palace, President Carlos Salinas de Gortari and Belizean Prime Minister George Price signed the agreements. The agreements deal with the protection of archaeological areas and the environment on the Mexican-Belizean border, the restoration and protection of archaelogical monuments, educational and cultural programs, scientific cooperation, and tourism cooperation.

The ceremony was attended by Foreign Secretary Fernando Solana Morales.

Accompanied by Mexico City Mayor Manuel Camacho Solis, George Price laid a floral wreath at the Altar to the Fatherland monument and received the keys to the city when he was declared a distinguished guest.

Railroads To Receive $200-Million Japanese Loan

PA2704220390 Mexico City Red Nacional 13 Imevision Television in Spanish 1300 GMT 24 Apr 90

[Report by Sergio Vieira]

[Text] The Japanese Government will grant a $200 million credit line to the National Railroads of Mexico to recondition 231 engines. The National Railroads of Mexico announced that one-fifth of the engines included in the 1990-1992 reconditioning plan will be worked on in shops in Aguas Calientes. Manuel Cervantes Ibarra, manager of the railroad system's northern area, said that the Japanese Government is interested in increasing its investments in Mexico and proof of this is the establishment of representation in Aguas Calientes.

Honduras

No Refugee Status for Contras' Families

PA2804140190 San Pedro Sula TIEMPO in Spanish 27 Apr 90 p 25

[Text] Tegucigalpa—Abraham Garcia Turcios, the National Refugee Commission (Conare) coordinator, stated today that the Honduran Government will not give refugee status to the families of the Nicaraguan counterrevolutionaries who are still at the Yamales camp.

He noted: "The Honduran Government's position is to deal with this problem separately from the one of the refugees themselves. That is, the families of the Nicaraguan Resistance members do not have any status and will be treated as special cases."

He added that they would be making it easier for the families of the "contras" to stay in Honduras and not return to Nicaragua if they are given refugee status.

"That is exactly what we are trying to avoid with the international organizations. These organizations will make them feel that the international community is protecting them, and this will push them to return to Nicaragua," he said.

He noted that the Honduran Government has negotiated this matter many times with UN representatives, and they understand our country's point of view on this matter.

Presently, more than 20,000 Nicaraguan Resistance families, including the war disabled, are in our national territory, and an even greater number of persons are in the country as illegal, undocumented, economic immigrants.

2 Bombs Explode in Capital; No Casualties

PA2804141890 San Pedro Sula TIEMPO in Spanish 27 Apr 90 p 42

[Text] Tegucigalpa—The Public Security Forces (Fusep) have reported that two bombs exploded here on Wednesday evening without causing any casualties.

According to the report, one of the bombs exploded near the National Party's Central Committee headquarters in Paseo El Obelisco at 2230. Police Department spokesmen said there was no property damage because it was "a smoke and gunpowder bomb. It did not even scatter propaganda."

The second bomb exploded at 2200 in front of the Treasury Ministry's glass door at the west entrance, partially destroying it.

Amilcar Alvarado, a watchman at the Treasury Ministry, said: "When I heard the explosion, I ran to the place where the bomb exploded, but I only found broken glass."

Meanwhile, the police said they had no clues on these two actions, and added that the bomb squad "is analyzing the pieces that were found."

Callejas News Conference 23 Apr

PA2804041490 Tegucigalpa Domestic Service in Spanish 0200 GMT 24 Apr 90

[News conference by President Rafael Leonardo Callejas, accompanied by Foreign Minister Mario Carias Zapata, Economy and Commerce Minister Ramon Medina, Finance and Public Credit Minister Benjamin Villanueva, Central Bank of Honduras President Ricardo Maduro, and Minister-Adviser of the Presidency Alonso Valenzuela, with moderator Nahum Valladares and local reporters at the Presidential Palace in Tegucigalpa—live]

[Text] [Callejas] Good evening, journalists and Honduran people. This is an historic news conference. For the first time in the history of our country we speak to the Honduran people directly from the Presidential Palace. We hope to be able to repeat this type of event every 15 days or every month, depending on the circumstances. We wish to offer you, through the media, information of national interest, information that has to do with what the government is doing.

First, I want to thank you for being here and for the wide coverage you are giving the decisions and actions of the government and for the constant comments the media is making regarding our country's problems. Undoubtedly, the most important thing about this event is that we are holding it with absolute freedom of expression, a guideline of the Honduran media.

Before giving you the floor, I would like to talk to you about certain things that have been happening in Honduras. I must remind you of certain specific situations that have come to light in the past few years and that my government must confront with seriousness, responsibility, and determination. We received a practically bankrupt nation, ineligible as far as all the international financial organizations are concerned; a nation behind on its payments on its $270 million debt to the international finacial organizations like the World Bank, IMF, and the Inter-American Development Bank, and behind on its payments on its $600 million debt to those countries that gave us loans and donations. The country had lost all its international credibility and was confronting a serious crisis that this year would have resulted in an inflation of between 40 and 60 percent. We must remember that our exchange rate was 4.85 lempiras to the dollar and that by December it would have dropped to five lempiras to the dollar. There was no oil; there was no corn; we had no medicine; and we could not see an effective opportunity to improve security in the region.

Based on all this, and since this is the first news conference I have held in this historic room at the Presidential Palace, I would like to tell you that we drafted an agenda to be followed during the first days of my government. You were made aware of this agenda, which included supplying the country with oil; finding the appropriate sources to provide the country with its basic foodstuff, corn; creating jobs; strengthening the ability to earn foreign exchange; and regaining the country's credibility

on the international level. In this attempt, I visited Venezuela and Mexico, and thanks to the goodwill of the governments of these two sister nations, we received an immediate response and were able to obtain the oil the country needed in the short term. Thanks to Public Law 480 were were able to negotiate with the United States for it to supply us with the corn the country needed to feed the people and to produce animal feed. We were also able to establish the Honduran Social Investment Fund as a primary job creating source. We also reached certain agreements that, as far as we are concerned, are truly important. As a result of the Esquipulas agreements and the Tela agreement, we were able to sign the Toncontin agreement.

With joy, I can report that now, for the first time in a decade, there will not be irregular counterrevolutionary forces in Honduran territory. Furthermore, as a basic principle of our foreign policy, we have left the fact clearly established that not only will the irregular counterrevlutionary forces leave—as they have already done toward Nicaraguan territory—but that my government, recognizing the will of the Honduran people, will not permit, during my mandate and in the future, armed irregular forces to return to our territory and generate positions that are contrary to international law.

Using this entire effort as a foundation, I also made a serious and difficult decision: I mediated in the legislation that resulted in the law of economic structural reorganization. Why? Because years of accumulated problems suddenly led to a complex reality: a decade devoid of economic growth, a lack of foreign exchange, a black market in which the currency was approaching a five-to-one rate, inflation that could have reached 60 percent, uncertainty, and insecurity.

With such a scenario, the government made decisions which—in my opinion—are the most advantageous and consistent with our nation's future stability and growth. Of course, I share yours and the Honduran people's feelings. Transformations such as these are not at all pleasant, satisfactory, or simple. It is not easy to tell a citizen that within six months to one year he will see results when on that very day he is faced with the increased price of a product which, as a result of the economic structural organization law, has an impact on his personal, day-to-day problems. I share this feeling; I acknowledge it; and it will undoubtedly be a fundamental part of our agenda for the next three months, in which we will take action in some fundamental areas: to control speculation on the prices of staple goods and price increases that cannot be justified by increased costs.

It is surprising to me that when I expressed the need to decide on the economic structural reorganization law, we agreed—and we still maintain this position—with the distributors and producers of our consumers' basic staples—flour, bread, sugar, lard, corn, beans, and rice—that there would be no price increases. At the distributor level, no price increases have been announced, noticed, seen, or reported by the media. What, then, has happened? [eight second break in reception] have violated the pledges the government and the president made with wholesalers and distributors.

Consequently, as a vital part of the economic structural reorganization program, I have instructed the economy minister to respond with the full force of the law and punish these individuals, as he already has done and will explain later, perhaps in response to some of the questions that may be made by the members of the press who are here. However, we will go further. Any firm that illegally violates the agreements made or acts against the principles that I have stated—individually, collectively, or as a stock company—will be seriously punished, and its business establishments may even be closed; and, where necessary, legal and penal action will be taken against the owners. I can see no other alternative.

We cannot continue with a plan for structural reorganization when there are people, individuals, who are not aware of the country's problems and who, because they only think of their short-term profits, create a negative environment of uncertainty and confrontation within our society.

Second, an important element in the government's next working agenda will be to confront the problem of corruption. I want to tell the Honduran people that in the next few weeks resolutions will be issued stating that citizens of this country who, in one way or another have broken the law and abused power and influence to gain illegal wealth, will end up in cells at the Central Jail. For very special reasons, I reserve the right of not mentioning their names. We feel that, in the national interest, their names should not be made public until charges have been filed and warrants issued. Otherwise, pressure groups could be created and these would have negative effects on the process that we are developing to prove to the nation, without political motives, that we are speaking seriously when we talk about the problems of prices and honest management of the government and the property of the Honduran people.

On the positive side, I am pleased to inform you that in the next 90 days, through the Honduran Social Investment Fund, we will be creating approximately 8,000 new jobs for our fellow countrymen who have had problems getting jobs because the country lacked a dynamic and growing economy.

There is no doubt that all these problems were created within a complex environment, and for this reason I am also very pleased to inform you that today we agreed with peasant and workers' organizations that, effective 3 May, we will initiate an agenda of concerted efforts, which will include a dialogue on the main topics affecting citizens in general and the Republic of Honduras.

Before opening the floor to questions, I must clarify that it is not easy, pleasant, or simple to make short-term decisions that may negatively affect the interests of local

consumers. I was elected with almost 1 million votes. I was the most popular candidate in the political history of the Republic of Honduras. Logically, I feel deeply the sacrifice that the Honduran people must undertake in the short term. It affects me personally, because some people who were all smiles during the electoral campaign now frown when they see me go by. In that regard, I wish to apologize very sincerely to all those compatriots who may be annoyed by the motorcycles escorting my vehicle as I head to government house every morning before 0730. However—as they know—this is necessary; otherwise, it would take me more than one hour to get here and time is precious for us.

Dear journalists and compatriots, I have just returned from the United States. It was a highly positive and interesting trip. As a result, in addition to national credibility, we have received support from friendly governments and multilateral financial institutions. In that regard, I am totally confident that the international community—nations like Venezuela, Mexico, Japan, Spain, and the United States—will extend their friendly hand to our nation, and that before June we will have received a stopgap loan to pay the country's overdue debts amounting to $247 million. Once that objective is achieved, our nation will again be able to obtain international financial aid. This will enable us to have more foreign exchange, which together with our exports will make it possible to notice a remarkable improvement in the Honduran economy over the short term.

Dear journalists, I thank you for your presence here tonight at this historic event. To my compatriots, I express my commitment to speak the truth and not deceive the people and to face with determination the serious and profound problems affecting our fatherland. I share with you and feel your problems. However, be assured that today's sacrifice will bring collective benefits tomorrow.

[Valladares] Messrs. journalists, questions can be directed to the president of the Republic, the members of his Cabinet who are accompanying him on this occasion, or the president of the Central Bank. Since some of you have already requested permission to speak, I will call on you in the order in which you raised your hands. Journalist Maldonado of EL HERALDO newspaper.

[Maldonado] Mr. President, perhaps the finance or economy ministers could also answer the following question: The opposition—to be more exact, Liberal Party Deputy Jorge Roberto Madariaga—is insisting that there is no realistic relation between the price the government pays for oil and the price at which it sells it to the people. The government is accused of making a large profit from this sale. Knowing that an increase would result in higher inflation, the government went ahead with its plans. Is it true that the government is making a profit from the purchase of the oil from abroad?

[Callejas] That statement is not true, and it is groundless. The impression I get is that here in this country there are many people who, for a chance of making a statement to the press, will make statements on matters they have not studied in depth. What Deputy Jorge Roberto Madariaga said came as a surprise to me. He said that the government was buying the oil for $18 and selling it to the Texaco Refinery for $36. I am going to let the economy minister explain what is being done. What Jorge Roberto Madariaga said is not true.

[Valladares] The economy minister.

[Medina] Thank you, Mr. President. The statement is incorrect. We do not know what he based his statement on. To clarify this situation, I would like to mention that the price of oil in 1989 was approximately $25.62 a barrel. Currently, Honduras is paying $28 a barrel. This is quite different from what Deputy Madariaga is saying. Furthermore, I believe that Deputy Madariaga is getting his price quotes from another market. We buy from the Caribbean market. We buy crude and refined oil from Venezuela and Mexico. Those are the prices we must pay, and those are the prices we used to determine our selling price.

[Valladares] Reporter Edgar Amado Lopez has requested the floor.

[Lopez] Mr. President, we noted something you said in your opening remarks: For the first time, there will be no unconventional troops in the region. Could this include the presence of U.S. troops in Honduras?

[Callejas] No, we are talking about two different matters. The presence of U.S. troops is based on treaties and agreements. Their presence is recognized and under the legal mandate of our nation. It is a presence that is the result of an agreement reached through legal means. It dates back to the reciprocal military assistance treaty signed in 1954. The requests for [joint military exercises] and the joint military exercises are a result of this treaty. Therefore, the two matters are completely different and are not handled in the same manner.

We have suggested to the U.S. Government that we wish to analyze the future role of our nation and our military association with the United States. In this phase, we even suggested that the next military exercises include two great priorities, the struggle against drugs and the training of our Army to fight fires and help prevent the destruction of our forests. We are analyzing this possibility. However, these are two completely different matters. One is an action over which the government has total control. The day our country decides it no longer wants to hold military exercises, an executive resolution will be issued and there wil be no more military exercises in our country.

The other matter is completely different because it is born from an action that is illegal and its solution is out of the control of the government. Therefore, we must view these from two different angles. One, our decision; second, something that is the result of a long process and that today should fill us with happiness. As a result of the

implementation of the various agreements reached, and the Toncontin agreement, today there are no contra troops in our territory.

[Valladares] Reporter Javier Gabino Villalobos of Radio America.

[Villalobos] Good evening, Mr. President, guests, all those present. I would like the president to jot down the four brief questions I will take advantage of this opportunity to ask of him. Former President Azcona has said that he left the country free of problems, in peace and normalcy, and that everything the new president has done is his own responsibility. Mr. Azcona even said that he never saw a crisis. I would also like to ask you if the first 100 days you will soon have spent in office are an example of what your government will be like, or is this the most difficult phase of your government? Also, many people are asking themselves if this is really the change that candidate Callejas, now president, promised; and, finally, you say that many topics of national interest are being used for political purposes, disregarding the broad interests and enormous problems the country is experiencing. What is your response to this, Mr. President?

[Callejas] Thank you very much. I read—because I was abroad—the statements made by the former president of the Republic, Engineer Jose Simon Azcona del Hoyo, and because I respect his ranking position I will not comment on his remarks. I have great respect for former presidents, and in my position as the constitutional president of the Republic, I believe that it would be untimely for me to attempt to contradict or respond to Azcona's remarks. The nation must judge. The people have the information, and they must study the truth of his information. There is one opinion, however, which I must state concerning the reality of the nation's budget. There have been attempts to make the Honduran people and media believe that we increased the national budget by one billion lempiras, disregarding the commitments I made concerning 650 million lempiras when I took office. These are tangible elements that can be proven and that were discussed beforehand with the media directors. In this regard,—on this specific subject, because it is within my power to confirm it—I must clearly tell the Honduran people that the real increase, including the monetary adjustment, in the nation's income and expense budget for fiscal year 1990 has been 88 million lempiras.

The most complex aspects of this first phase will undoubtedly be—from the viewpoint of the economy's structural reorganization—the most difficult. We really had three alternatives: to allow things to go on as they were; to fail to confront them; to allow a 40 to 60 percent inflation process this year; to be faced with a deep fiscal deficit; to remain behind in our payments to international organizations; to have no credibility as a nation; and to fall into a danger zone from which we would not be capable of extricating ourselves to rebuild the national economy, with the consequent result of very severe damage to the people.

Our second option was to take gradual action, like the woman who goes to the beach and first dips her big toe in the water to test it, then puts her foot in up to her ankle, then she submerges herself up to her knees, waist, and shoulders until, in the end, she is totally submerged. The same applies in our case. We decided not to take that path but to confront the nation's big problems once and for all. The law of economic structural reorganization and the decisions concerning fuel prices were total. I understand the impact of these decisions; I have not disregarded their impact. I feel that we have overcome this phase and that we must now fine tune the solutions to our problems. We must make concerted efforts in some sectors, such as transportation, members of which I met today and with whom we have established courses of action. We must do the same with labor unions. Tomorrow I will meet with the COHEP [Honduran Council for Private Enterprise] and the ANDI [National Industrialists Association] to establish specific goals and gradually adapt our society to the problems which will undoubtably emerge as a result of the adjustments and the economic structural reorganization.

However, what we want to do now is hold dialogues to achieve price stability, decide on actions to be followed against those who break commitments, and establish legal mechanisms to this effect.

It is logical; the way people have reacted to these change is logical. I and my coworkers reacted in a similar fashion because effects are felt immediately. As I see it, nobody is happy, and this is important because it means there are no privileges. Everybody is feeling the impact of the law of economic structural reorganization on fuels in some manner, even if it is on a short-term basis. As time passes, the economy will recover its vitality, and we will be able to confront the problems.

I realize that this year we will probably have to endure an inflation rate of around 10-20 percent, and I know that this requires effective government action to control prices. However, the means to attain this control will be concerted decisionmaking and legal actions. Price control alone will not be used, as this has not worked in the past. I also recognize that this will be a year of austerity in terms of public spending and that many projects will have to be delayed until next year. Undoubtedly, the people will have to bear the brunt of price increases; for example, when inter-urban transportation rates increase. We see that mistakes have to be corrected, too. Once concertation has been established, we will discuss topics such as direct subsidies, wages, improvement of certain conditions, and direct transfers to citizens in general.

Also undoubtedly, all this is fertile ground for the opposition. A very simple and effective opposition can be carried out by just using the price issue. All that needs to be done is to hoist our banner and say: Today, such a product has increased in price; it makes no difference if the price was increased in only one small store and not by the distributor. There is no doubt that politicians can use this banner to their advantage.

Sometimes people do not act seriously, and we have seen this concerning the oil issue. There are times when people act even less seriously than when they participated in previous administrations, when they were capable of decision-making. However, it is a fact that we are politically aware that the groups that must deal with the country's political reality will use this excuse in the next few months. We do not worry about this because we know that our decisions are correct and that those who yesterday talked positively about adopting these decisions—and whose opinion has now changed—will eventually support the measures we have adopted.

[Valladares] We ask the journalists to ask only one question so that the president or the ministers do not have to give lengthy answers, and to give all those present here the opportunity to ask their question. The cameras and microphones now go over to journalist Dolores Valenzuela of VICA [expansion unknown].

[Valenzuela] Thank you. Mr. President, you have expressed very encouraging words for the Honduran people. For example, you have publicly pledged to send speculators—the bad businessmen who are availing themselves of the situation prevailing in Honduras—and corrupt people who have squandered the country's resources to prison. I want to ask you: Do you sincerely intend to send all the corrupt people in the country to jail? In fact, this is one of the reasons Honduras is currently facing this situation. This includes prominent Liberal Party and National Party members who might even be members of your administration. Many of these people have been mentioned in scandals like the one of the National Investment Corporation and others which the country remembers very well.

[Callejas] This would be the ideal thing, meaning to have the mechanisms that would allow us to assess, first of all, the magnitude of the corruption; and, second, to be able to send all those who are guilty to the penitentiary. However, this is not the case. We will have to work progressively, and the important thing is to set the example. An example can correct many things. Actions in this case are better than words. We are interested in this and will act accordingly.

Later on, based on the experience acquired along the way, we will be able to reform laws, improve mechanisms, and investigate the crimes. Our national laws cannot fight corruption or speculation appropriately, and we will propose reforms, or new laws, for their analysis and discussion in the National Congress. Let there be no doubt: I will be satisfied when I see that the actions we adopted have begun to show results. That is what the Honduran people demand and need.

[Valladares] Journalist Julio Armando Valdes, of Televisora Hondurena.

[Valdes] Mr. President, the Honduran people expected good news from you this evening, but I think that is not the case. When you were in Washington someone said that you would reconsider the fuel price—meaning that you would reconsider the price of diesel and leaded fuel—bearing in mind that these two products are part of our national production. Sectors like the College of Agricultural Sciences Professionals have stated that the economy's structural law was prepared without taking the production sector's opinion into consideration. The effects have already been felt in the production sector, food prices, and staple prices. Will you reconsider the fuel prices?

[Callejas] No, that would be bad for our economy and the decisions we have adopted instead of bringing any benefit. The cost of the subsidy given to the fuel in recent years surpasses the 1 billion lempiras mark. Someone always has to pay for this. The alternative would be to go in stages, because the price will eventually be the same. The ideal thing would be to release the fuel prices, but we cannot because the effect would be too strong on certain sectors of our society.

The price of diesel fuel, just as it is right now, has a 50-percent subsidy. This means that another product, meaning leaded and unleaded gasoline, is paying for the diesel's subsidy. If we go another route, it means that we have to regulate fuel prices every 90 days; and that would represent a much more serious and complex social price for the Hondurans. We would not be able to control certain things, including urban transportation fares, which will not increase because they are being directly subsidized.

There is something else, which has to do with the productive sector. This concerns me from the consumer's, not the producer's, viewpoint. We want the farmers to get the highest possible prices. For many years, farmers have subsidized commerce and industry. It is time to give the agricultural producer the credit due him in our society. This means that he must make money. We must take into consideration the farmer's true costs so he can establish a profit consistent with his investment. As we in the government see it, the decision to change our fuel strategy would bring very serious consequences for the Honduran people. I share the uncertainty, concern, and the impact caused by the regulation of fuel, but there is no doubt that this is the best course. We are also concerned that Guatemala and El Salvador again are adjusting fuel prices. The minister of economy [Ramon Medina Luna] can discuss this subject in depth. Again, it will be reported that Honduran fuel is being shipped to neighboring countries. This is something we will try to correct in talks with Guatemala and El Salvador in a relatively short period of time. In our opinion, however, the action taken, although hard, is the best for the national economy.

[Valladares] We will now hear the minister of economy, who will elaborate on this point.

[Medina] Thank you, Mr. President. True, more than 178 million lempiras were disbursed as subsidies for fuel prices in 1989 alone. This is too high a cost for an economy we are trying to adjust. From the point of view of prices, I think we are overlooking a very important

consideration. During the time that the fuel price was not adjusted, fuel was being sent to neighboring countries. This was essentially because our price was subsidized. I will give you a better idea and clarify the matter. Let us take the current fuel price at the rate of four lempiras to the U.S. dollar, which is the rate at which we set the prices. In Honduras, the price of a gallon of premium fuel is $1.54. This is the price in dollars for comparison purposes. In El Salvador, the price of a gallon of premium fuel is $2.50. The price of a gallon of regular fuel is $1.48 in Honduras and $1.98 in El Salvador. In other words, the price of regular fuel is still higher in El Salvador. A gallon of diesel fuel is close to $1 in Honduras. It is sold at 3.98 lempiras, while this same fuel is sold for $1.32 in El Salvador. Consequently, even with the adjustment we have just made in Honduras, the price of fuel in our country is still lower than in El Salvador. Guatemala is making some adjustments in the fuel prices this week. I do not have the updated information on Guatemala yet. I can tell you, however, that, in Nicaragua premium fuel is sold at $1.67 a gallon. One one type of gasoline is sold in Nicaragua. A gallon of diesel fuel is sold for $0.94. I understand this price is being revised. The other prices I have on hand are those of Panama, where the price of a gallon of premium fuel is $1.98. This price is also higher than in Honduras. A gallon of diesel fuel is sold for $1.19 and regular gas for $1.90. All of these prices are higher than what we are selling our products for in Honduras.

[Valladares] Reporter Francisco Valeriano Giron of LA TRIBUNA.

[Valeriano] Mr. President, you have said that the positive results of the economic measures taken will be observed in a year or year and a half. Meanwhile, the prices of staples will surely have skyrocketed. We reporters who visit the poor neighborhoods have heard the people constantly complain that the prices of the basic basket articles are exorbitant. It has been reported to us that the price of meat has reached 5.50 and even six lempiras a pound. In addition, there is a shortage of this product. The same is true of all of the basic basket products. Will the price control measures apply to the merchants who have been selling at prices higher than the government's regulations? It has also been reported that domestic trade inspectors of the Ministry of Economy have been acting in collusion with merchants to sell at higher prices in the capital's markets. To what extent can the Honduran people trust that your government will truly apply these measures? As I have said, the complaints are (?there).

[Callejas] [Five-second break in reception] ...problems of prices for a number of reasons.

In the first place, there are many products that do not merit an increase in prices. We are facing many contradictions. Take the case of sugar. The price of sugar is regulated. Sugar has a fixed price from the minute it leaves the sugar mill. It reaches the distributor at a fixed price, and it reaches the wholesale distributor and the retailer at the same price it has had for many years. However, we have received reports to the effect that sugar is being sold in certain places at higher prices.

When we conduct our investigations, we find it is being sold at the official price in some supermarkets and small grocery stores. However, some establishments are selling sugar at higher prices. In other words, prices are being distorted in some places.

We should concentrate our efforts to make sure that the prices we have set with the producers, distributors, and wholesalers reach the consumers. We have set prices with the most important sectors, the producers and the distributors. The critical stage is with the retail vendors. That is more difficult to handle due to the large number of retailers.

This month, we have imposed fines in the amount over 60,000 lempiras on many small stores, and we are analyzing other large stores and distributors to see what has happened with prices. As of next week, the economy minister will address the Honduran people every Tuesday night to report on price investigations the Economy Ministry has carried out. In this manner, the journalists will then be able to see what the situation is in terms of prices.

The price of beef is a very special case, because we are competing with the United States in Guatemala, where prices are better in dollars. [sentence as heard] The problem of contraband beef has been generalized, and it must be solved. Then, there are products such as corn. If you go to the Honduran Agricultural Marketing Institute, you can find hundreds of persons receiving corn at 27 centavos per pound. There are other places that have perhaps increased prices.

With this, I want to tell you that there are different problems, and our action will be directed mainly at those products that are staples, such as flour, lard, poultry, corn, beans, rice, powdered milk. There is no reason why the prices of these products should be increased, and I sincerely ask the Honduran people to call the Economy Ministry to report any increases. We have made agreements, and there is no reason why the prices of these articles should be increased. The producers and the government have established these prices.

[Valladares] Jose Aguirre Izaguirre now has the floor.

[Aguirre] Mr. President, only the very rich have not felt the consequences of the measures adopted by your government. They are those who have dollars in the United States, and those who have exploited our people with their prices and speculation. The people deserve some satisfaction, some hopes.

Do you feel there is any possibility you might raise the salaries of the working class in order to compensate for the price increases, or will the working class continue to suffer? Do you think we might reach the level of an

explosion? We now have to spend 100 lempiras to buy something that used to cost 50 lempiras.

Businessmen should also become involved, because everyone is called upon to share the sacrifices so that they will at least adjust the prices of the working class.

[Callejas] Everyone is paying for the mistakes of a weak and fragile economy, where erroneous decisions were made in the past. The inflationary process has been a fact here for many years now. We are fighting that inflationary process. The human mind tends to forget unpleasant things.

However, if we stop to analyze what happened just a few months ago, we will remember that it was amply reported that rising prices were a fact. The basic problem was that unless we adopted decisions that halted that process and improved our economy, inflation would have gotten out of hand. With this, I do not mean to say that I do not realize there have been price increases. However, everyone has to pay these costs, as we no longer have foreign currency available at privileged exchange rates. Right now, there is not a single Honduran who can prove he is obtaining foreign currency at a rate different from the official bank rate.

That alone has had a beneficial effect on those who have enjoyed privileges for their personal benefits. Naturally, the impact is felt less by those who have more money. However, when it comes to fuel, those who use more fuel due to the type of vehicle they own are the ones paying more for fuel. Those who have expensive vehicles and use diesel are now paying more. The measure has been fair. There are no privileges for anyone. We are all paying for these decisions out of a sense of what is best for the future of Honduras.

Salaries and jobs are two vital future variables. This is why we will begin concerted efforts with labor and peasant groups on 3 May to discuss the various aspects of the path that you mentioned: Minimum salaries and wage increases for various segments of society. However, the other segment that includes more than 1.6 million Hondurans who have been unemployed must also be taken into account. We must also help them. Therefore, the two groups are high priorities for the Honduran people.

There is no doubt that these issues will emerge with a force of their own after the government adopts actions beginning on 3 May. We would gladly address them, because they demand a political decision and national participation. Wages, salaries, jobs, price controls—from the standpoint of supervision and correct management of state finances—are critical and important elements of the new national economic order.

[Valladares] Reporter Lorena Melgen of Radio America.

[Melgen] Thank you. I will first apologize, because it was said here that each reporter must ask just one question. However, I will ask several since freedom of speech is respected here. Also, some other colleagues were allowed to ask several questions.

The president has said that improving the foriegn currency situation was among his goals during the first months of the year. I wonder to what extent there has been an improvement when dollars are not available in our banking system at the interbank rate. They are available at 4.60 lempiras to the dollar on the black market.

Also, the country is facing an evident shortage of medicines. One cannot even find the most common generic medicines. If the goal is to improve this situation, I suggest that the millions of sick Hondurans be allowed to report otherwise.

I would also like to ask the president how much longer we can expect the presence of U.S. troops in the country to be justified, because the threat of a war in Central America no longer exists, and the situation has changed a great deal. There is also the problem of fuel consumption. There is much talk about a reduction in fuel comsumption.

International press reports claim that besides seeking economic aid, you visited the United States to discuss the transfer of the Southern Command from Panama to Honduras. And finally, I have a question for the Central Bank president: What is the current inflation rate? Thank you very much.

[Callejas] That was five questions, but we will gladly respond to all of them. We see no problem. As for the foreign currency, I will ask [Central Bank President] Mr. Ricardo Maduro to address this issue. There is no doubt that it is one of our most serious problems, and that is why we have sought to reopen the sources of foreign currency. A key factor is the restoration of our country's good standing before the international organizations, because the only source of foreign currency hat the country currently has is our exports. We have a huge shortage of foreign currency needed to pay for our imports and to satisfy society's consumption needs.

Revenues from our exports are not yet enough to satisfy our foreign currency needs. Imports are vital for our survival as a society. What are we looking for with the stopgap loan—I am answering your question, but I see that you are talking—a $247- million stopgap loan, are opportunities to generate, through international organizations, financial support this year and the next that would allow us to neutralize our negative foreign currency situation. This is a serious problem that needs to be solved and this is why the government is spending a considerable amount of time on it.

The problem involving medicine is one of the country's most serious not only because there is a shortage, but because Honduras can no longer buy medicine abroad, because companies are not granting credit to the country. The Honduran Central Bank is in a trap [trampa]—that is what financiers are calling it now—

because more than $40 million in debts have not been paid to medicine suppliers. As long as they are not paid, we will not be able to overcome this problem.

This does not simply involve distributing foreign currency to buy medicine or subsidizing sectors serving the state via the Republic's budget, but a problem of debt in arrears of $40 million in medicines that have been delivered, but not paid for. Our medicine sources are no longer available to us. Tomorrow, along with the Central Bank president, I will meet with medicine importers to discuss this complex problem, because there is no doubt that there is nearly a 75-percent shortage in medicine for the Honduran people.

Regarding the U.S. troops, since this is a unilateral or bilateral decision with the U.S. Government, we have initiated a reorganization of the military exercises—which is the reason for the U.S. troop presence in our country—to the two main areas I have already mentioned: First, to train our troops to carry out an ecological battle and to teach them to put out forest fires; and second, to train them in the struggle against drugs. In addition, there is an important consideration: Peace in the Central American region is at hand, but we have yet to achieve it. As long as we feel that the balance in the Central American region is not aimed at an effective reduction of strong armies in Central America, we will continue to try and make our troops more efficient. This is why the military exercises with the United States are important.

Remember that in Nicaragua there are approximately 100,000 armed men and that there are still some problems there. We do not believe that we should be hasty when the area surrounding us is still not as peaceful or free of conflict as we would like. There is still a complex situation in El Salvador. We understand what the Honduran people want regarding the presence of U.S. troops. It is also our position, and we are willing to analyze our relations. We will do that this year. In this regard, I would like to add that we did not discuss what you asked about regarding the transfer of the U.S. Southern Command to Honduras. There is nothing on this. I will now give the floor to Ricardo Maduro.

[Maduro] Thank you, Mr. President. I am truly happy that I have been given the opportunity to do something that I believe is important at this moment; that is, to review our current foreign exchange situation compared to our situation in January. I wish to remind you that in late January, when the current government assumed office, the Central Bank was receiving approximately $1 million in foreign exchange every week. Currently we are receiving between $10 and $15 million a week. Even though these amounts are 10-15 times higher than in January, we still feel that we need to receive more to reach the goal we feel is normal in that sense. Later on I am going to talk about what is needed to reach this goal.

As the president already said, the dollar on the black market was valued at almost five lempiras. As you said, the black market is now paying 4.60 lempiras to the dollar. I have other information on this. The black market is not something easy to define and different prices are being paid. I believe the dollar on the black market is worth 4.30 or 4.50 lempiras. The inter-bank selling rate is currently at 4.10 lempiras plus the commission making the selling price a little more than 4.15 lempiras to the dollar. Therefore, the difference between the inter-bank selling rate and the black market is approximately five percent. This is not considered abnormal and it does not affect the operations of the inter-bank markets.

In late January, we analyzed what had occurred in the past few months, in the past few years, and we saw that there was a serious problem in the allocation of foreign exchange to cover the country's priorities. We found that there had been months during which millions of dollars were disbursed for personal use. I also believe that the fact that the disbursement of foreign exchange for personal use has now been completely eliminated is of great importance. Ours is a system in which there are no personal privileges or priorities and there is no possibility of using personal influence—use of personal friends or politicians—for personal gain.

Last year we accumulated a $200-million debt with the international organizations. This is why we had foreign exchange to use. In other words, to have more foreign exchange we did not pay our international debts. There is no doubt that this is a very short-term viewpoint. In addition to the $200 million debt, the Central Bank reserves were reduced by more than $40 million.

Moreover, an equivalent of $60 million in lempiras were deposited in the Central Bank to acquire foreign currency at the promised two-to-one rate, which could not be honored. In addition, the public sector needed $90 million in foreign currency.

Therefore, we inherited a system in which the need for foreign currency was met by delaying international commitments, using up Central Bank reserves, and accumulating commitments of the private and public sectors.

We inherited a very difficult situation: no international reserves, very serious commitments in all areas, and the country's international financial credibility at a dangerous level. Besides eliminating the system of privileges that existed, we basically established a system in which we have managed to increase revenues in foreign currency by 10 or 15 times. We are not yet completely satisfied.

We believe that the main reason for this was that there was pent-up demand; that besides these delays in our commitments, demand was repressed through controls over import permits that had accumulated at the Central Bank. Therefore, when the doors were opened for these import permits, demand was unleashed. At the same time, the supply of dollars, that is from exports, has been decreased partly because of a problem involving taxes on coffee, minerals, and sugar exports, because the previous

tax was based on a price in lempiras on the export value at the port of shipment. However, the intent of this export tax law was based on a reference price in dollars.

What happened is that the coffee-exporting sector—this is an example—realized that it was paying the new tax of 12 percent on traditional products and was also paying a previous coffee tax based on a price that was half of the previous price. Previously, tax was charged beginning at the mark of 200,000 lempiras, which was equivalent to $100. Now, although the international price is under $100—it is $93 or $95—when we multiply this by a new valorization factor of four to one, we are dealing with 360 or 370 lempiras. This means that they are also paying the old tax.

This obviously placed the coffee-exporting sector in a disadvantageous position. Although we have adopted temporary measures allowing them to sign IOU's or other kinds of guarantees at the customs offices for this new tax—and despite the fact that the government's executive - administrative sector committed itself to presenting this change before the Congress, this poses a risk to coffee exporters. As a result, coffee exports have not left the country with the desired expediency.

We believe that the interbank market does not yet reflect the total amount of available exports, but does reflect a greater than normal demand, because demand had been repressed last year.

We have taken decisive steps to restore our international financial credibility, as the president of the Republic has explained. Not only our efforts during the negotiation of the stopgap loan to enable us to make payments to the international institutions but the presence of the president and members of the Cabinet-level economic team at various national and international forums to present the economic problem and to talk candidly and face-to-face with Honduras' international creditors have been positive factors for the recovery of our international credibility. These efforts will bear fruit through this stopgap loan, which will in turn allow us to approach other creditors, such as friendly countries, at other levels. One such level is called the Paris Club, for instance, at which we will meet with all our creditor countries and apply for a refinancing of the debt in such a way as to reduce to cost of servicing our debt and to enable us to have more foreign exchange available.

This new level of credibility, which we are establishing and which will become concrete with the stopgap loan, will also allow us to reopen the doors to new foreign commercial financing and to the so-called concessional financing, which is granted under better conditions than commercial financing. For instance, we may have access to loans for periods of 40 to 50 years and grace periods of up to 10 years at interest rates as low as two percent a year. We can also reopen the door to borrowing for projects and assistance to sectors such as the farming sector, the energy sector, etcetera, which our country needs so much to develop.

In sum, again, I indeed feel that we still have some ground to cover to normalize the interbank market. However, when we compare our situation now with that of two and a half months ago we can clearly see that we have made enormous progress with regard to the amount of foreign exchange we are handling, the equitability with which it is allocated, and the recovery of our international crediblity. We have also managed to significantly reduce the price of the dollar on the black market. Thank you very much.

Pardon me, the inflation figures we have at this moment correspond to the months of January and February, and the index is about two percent. Preliminary figures for the month of March indicate that it dropped to one or 1.2 percent. I will be able to confirm this for you in a few days.

[Valladares] Messrs. journalists, we again request that you ask only one question. This way you will have a modicum of respect among yourselves; everyone will have the opportunity to ask a question, since there are several representatives of the local media here; and we can have a framework of reference about the time needed to answer all your questions. We will now give the floor to journalist Rafael Castellanos of Radio Tegucigalpa.

[Castellanos] Mr. President, how do you interpret the fact that there is some kind of confrontation between the Catholic Church and the Honduran Government? Some members of the Catholic Church have just stated that you must reconsider some things about the economic reorganization law or else it could lead to social chaos in the country. Also, how true is the report that the new economic law will only favor the exporters instead of demanding sacrifices from all the people, as you claimed?

[Callejas] [nine-second break in reception] but if we modify the economic reorganization law to satisfy the good intentions of a few on a short-term basis, the cost will eventually be enormous. The easiest thing for me, if I wanted to be surrounded by smiling people today and tomorrow, would be not to adopt the decisions and to continue the erroneous practice of granting subsidies, with privileged exchange rates for dollars and subsidized fuel—but with an uncontrollable inflation that would destroy our society.

I mentioned earlier that, the way things stand now, everyone will complain—everyone, including my wife, Norma Regina. However, this will be a temporary process. The important thing is what will unfold over the medium term, when we will be able to help those who have no jobs. The heads of 8,000 families will be employed in 90 days and they will be happy. In a short time, there will be a greater flow of foreign currency into the country in June and July; and the impact on the economic growth will be [four-second break in reception] unwittingly complain, simply because they get carried away by the circumstances.

I agree with the humble consumer who complains because he has certainly suffered. The vast majority that complains—as you claim—has not suffered poverty. This is the

root of their incomprehension: They did not suffer yesterday so they want to go back to what they had yesterday. The society cannot withstand this situation. Consequently, the measures we have adopted are the best and the ones that are most in accordance with national interests. Granted, the measures are not perfect, but we have learned that a consensus is vital to fine tune the mistakes we may have made by commission or ommission.

The exporters are complaining because, they claim, they had more access to foreign exchange through the mechanisms that existed in the past. There was an official CETRA [Transferable Certificate for Access to Foreign Exchange], a smaller official CETRA, and an unofficial CETRA that gave an illegal profit. What we have done is estabish an honest foreign exchange rate and assign everyone what they already had—most of them, anyway. Therefore, it is untrue that the exporters are receiving extraordinary benefits. We are simply giving them, honestly, what they already had, through other means.

Let us not forget that most of them got their foreign exchange at the two [lempiras]-for-one [dollar] rate, and they clearly had an advantage, which they used for their own benefit and to obtain profits through other enterprises. We are all aware of this. If you talk with some of the exporters, a sizeable portion of them will also complain because they claim that the measures to reorganize the economy has affected them. That is the truth. Everyone has been affected. Today we feel that this is not the most satisfactory solution but tomorrow we will see positive results. I again tell you that, as far as I am concerned, my decisions have been adopted based on professional—not emotional—viewpoints. I have adopted patriotic—not political—decisions, and the Honduran people's interests are still the ultimate goal of my government.

[Valladares] The next questions will be asked by Geovanny Garcia, Hoy Mismo newscast; German Reyes, ACAN-EFE; and Noel Leiva, TIEMPO newspaper. Please, Geovanny Garcia, Hoy Mismo newscast.

[Garcia] Mr. President, certain groups in our society say that the Armed Forces' budget should have been cut by 20 percent—better yet, by 50 percent—instead of burdening the people with more taxes, taking into consideration that Central American is entering a period of peace and taking into consideration that the Armed Forces worked with 500 million lempiras last year.

[Callejas] We believe that we have taken a step in the right direction, and the Armed Forces' budget has been cut. This decision had never been adopted in the country's history. Never. However, the new officers, the Armed Forces commander, and the Senior Council of the Armed Forces listened to what I had to say; they understood what I said; and they agreed it was necessary to make an adjustment in the Honduran Armed Forces' budget.

I analyze some debates on the issue and I ask myself: Why did those who yesterday had the capability to adopt that decision in the National Congress never do it? Instead, they failed to reveal the budget and allowed expenses that were not included in the budget. We have adopted two decisions: First, we will say what the exact Armed Forces' budget is. Second, the budget has been reduced by 10 percent. Privileges have been eliminated. There are no more duty-free imports.

What I have to say this evening is that we made a correct decision. The Armed Forces' budget was reduced by 10 percent; to ask for a greater reduction is not to know our country's reality and to destroy the Armed Forces. To reduce the Honduran Armed Forces' budget by 50 percent is tantamount to dismantling it, and I for one am not willing to make that decision. I agreed to take the correct path at the right moment; to redirect the Honduran Armed Forces and to see they also act with austerity and in the best national interest.

It is easy to criticize and say things, but when these people had the opportunity to resolve this, nothing was done. I have acted.

[Valladares] German Reyes of ACAN-EFE.

[Reyes] Good evening. Before anything else I think we should apologize to the housewives for having ruined their soap opera. Regarding the green battalions you mentioned, Mr. President, which are going to be installed in Yamales—where they should have been before the contras entered—how are the ONUCA [United Nations Observer Group in Central America] officers going to verify that the contra withdrawal from Honduran territory?

[Callejas] There is no problem. The Yamales camp is inside Honduran territory. There are mechanisms that allow ONUCA and CIAV [International Commission for Support and Verification] forces to control these persons. Once more I would like to refer to the position you are taking: Why not see things positively? Instead of saying we had contras here for 10 years, say that now we do not have any. I think this is the type of optimism we should impress upon the country. Let us not complain about yesterday, instead build on today's reality. I am very happy to be here at this news conference and to be able to tell my fellow citizens and you that no longer are we to have contras in Honduras—a positive step. In this regard the green battalions and the Armed Forces are taking action to administer a territory that only yesterday was relatively out of control of the government.

[Valladares] [Words indistinct].

[Reporter] Mr. President, much has been said about these $247 million—it seems like a large sum—which tells of the success of your trip to the United States. This, however, is to be used to pay debts. Do you know of any specific amounts you may be receiving in the future, or is it a question of having to wait there with a little paper bag to then hand it over to [Central Bank President] Don Ricardo Maduro? What are the resource forecasts and what definite investment plans are there for these resources? One must especially take into account the impact this will have on

the Central Bank currency reserves since inflation can be a time bomb. Lastly, I would like to ask you if you.... [changes thought] Apparently my colleague Regina has an important question before you end the conference with me. Thank you, Mr. President.

[Callejas] No problem. I would continue this conference all night long, although I do not wish to keep the housewives from their programs. However, everything has a time frame, and our interest is that all reporters here tonight should have the opportunity of taking part in this news conference. Getting back to your question, the total amount of funds available for the Armed Forces was established this way: The 1989 budget approved by Congress was 150 million lempiras.

[Reporter] Perhaps I did not make myself clear. I was referring to the funds the government would have available once loans were paid off with these stopgap loans.

[Callejas] You are right. We are talking about the stopgap financing for $247 million. This stopgap loan opens the path so that friendly countries and bilateral and multilateral financial organizations can resume their loans to the country. These funds will give us the right to draw on special IMF accounts, funds from special World Bank programs such as SAL-1 and SAL-2, or funds that have been withheld from Japan and Germany. The total amount of these funds is enough to pay the $247 million stopgap loan in full and still have some cash left over for some of these organizations that may generate funds for the country. The precise amounts will be given by the Central Bank president; however, to answer your question, the amount of funds to be received will be no less than the amount being loaned, plus some surpluses from international organizations and friendly countries, which have withheld their loans or donations because of Honduras' ineligibility with the IMF.

[Maduro] Thank you, Mr. President. I only want to explain that the stopgap loan is a loan that Honduras obtained in view of the fact that Honduras does not have the direct funds for meeting the overdue payments. When we make the overdue payments, we are going to make payments of approximately $290 million to $320 million in a year.

The difference is that there are certain unknown factors at this point, such as the projects we can carry out, certain levels of co-financing of some loans by Japan and Germany. There have not been any replies from specific requests that have been made for support funds for trade and balance of payments with friendly countries such as the Republic of China, etc.

Nonetheless, it has been estimated that there are revenues of between $280 million to $320 million. This would allow us to pay the $247 million of the stopgap loan over a term probably no longer than six months. Therefore, when we complete it in late May or early June, the term would be expiring in October or November.

In addition to that payment, there will be an additional $40 million to $60 million dollars for strengthening the reserves and the import capabilities of Honduras.

[Callejas] I would like to add that we have overdue loans pending with Japan and Germany. No matter how small these debts may be, we cannot receive heavy financing. Once the stopgap loan has been paid, and with the resources available from the stopgap loan, we are able to pay Germany the 9 million or 10 million marks we owe and receive the equivalent of over 60 million marks. That is like an increasing process. We should not consider it from the point of view of the balance of the stopgap loan. As the president of the Central Bank said, that loan amounts to $40 million or $60 million. That will allow us to have greater opportunities for soft loans and donations from friendly countries.

[Valladares] Journalist Antonia Martinez now has the floor.

[Martinez] Mr. President, it has been learned that during your visit to the United States, you and the U.S. authorities talked about the possible signing of an agreement, that would be Protocol Three, that would allow the U.S. troops to stay permanently in Honduras and the possible installation [two-second break in reception] of Voice of America in Honduras. Some groups in Honduras believe you will not sign any document behind the people's backs. We would like to know if there have been any proposals to that effect?

[Callejas] No, none. We did not discuss any of those topics: Neither Protocol Three nor anything having to do with VOA. Concerning Protocol Three, this would have to be a resolution issued by the congress of the Republic, and it cannot be a direct action of the executive branch. You may remember that this was already presented to the congress and its approval has been placed on hold. We have clearly told the U.S. Government that we are not willing to have permament U.S. military bases on our territory. There is no negotiation or dialogue under way on this. What we did agree on was the installation of a radar to be used in the war on drugs in the Caribbean.

Before concluding, I would like to thank the viewers and listeners for their extraordinary patience and for being with us for nearly 90 minutes. I would like to thank the reporters for their kindness. This is the first news conference that we have held in this room of the Presidential Palace. In the near future, I hope that we will be holding more conferences.

I would like to make some interesting announcements. As I said earlier, we will make some serious and responsible decisions in the struggle against price speculators. We will apply the law firmly. Many merchants are disregarding our national situation. Within the next few days, we hope to send the attorney general of the Republic some legal information that will help in the struggle against corruption. We hope there will be a truly effective reply and support from the Honduran people for this type of action.

In addition, I am pleased to announce that in this afternoon's Cabinet meeting, we formed a commission that includes Mr. (Escruz), the foreign minister, the natural resources minister, and the director of the National Agrarian Institute so that by the end of this year—at the latest—the Central Penitentiary will be transferred to a penitentiary farm near the area close to Ojo de Agua Garrison. We have very interesting proposals from landowners in that area, and we believe that in the future the Tegucigalpa residents will no longer have a Central Penitentiary in the downtown area but rather a cultural center for recreation.

We thank you, and I wish to express my gratitude for your participation. We will invite you soon to another news conference, so we can continue participating with you and the Honduran people in the discussion of our problems.

Thank you very much, and good night. [applause]

Nicaragua

Ortega: U.S. Using 'Extremists' to Create Chaos

PA2804144990 Managua Radio Sandino in Spanish 1200 GMT 28 Apr 90

[Text] Commander Daniel Ortega said last night that a minority sector of the extremists linked to UNO [Nicarguan Opposition Union] are being used by the U.S. Government and the contras as a spearhead to incite clashes with Sandinism and create national chaos. Ortega stated, however, that these extremist sectors, who are a minority even in the National Assembly, are not backed by the people. These are Ortega's statements:

[Begin Ortega recording] The truth is that this group is a minority. This was clearly proved during the elections of officers for the National Assembly. When the time came to vote, we saw that there is a minority in the UNO imperialism, but that the majority of UNO leaders advocate the country's stability and not confrontations. This majority imposed its views in the Assembly.

This is part of a U.S. campaign in Nicaragua to provoke clashes between Sandinism and the people, and thus create chaos in the country. The UNO extremists are spearheading these provocations. However, it has been clearly proved that they have no support in the National Assembly, nor among the people. They are clearly identified in UNO and are with the contras and the U.S. Government sector that will teach them how to try to destabilize the government. [end recording]

H. Ortega on Plans To Reduce Size, Name of Army

PA2804015190 Managua Radio Corporacion in Spanish 2319 GMT 27 Apr 90

["Exclusive" interview with General Humberto Ortega Saavedra, chief of staff of the "new government's army," by unidentified reporter on 25 April; place not given—recorded]

[Text] [Reporter] What is the Army's stand concerning the new government?

[Ortega] First, we are involved in a peace process, and with such a beautiful [words indistinct] that has been taking place today and which culminated with the transfer of power at the stadium. It was very emotional to see all our people united. We are reaffirming our determination to contribute strongly to the purposes of the new government and all Nicaraguans who seek to strengthen that peace process, that stability.

[Reporter] Will the Nicaraguan Army continue under your command as chief of staff, following the same Sandinist policy?

[Ortega] In the process of making the Armed Forces more professional, we have decided not to conduct any political campaigning within the Army. We have decided that all members of the party leadership who were in the Army should resign their posts. We have decided not to carry out any political party activities within the Armed Forces precisely because we think the role of the Army should be a national role, and so that it will contribute to this important project that all Nicaraguans are promoting at this time in our history.

[Reporter] The Sandinist People's Army [EPS] has been identified with a specific party. Will the name of the Army be changed?

[Ortega] Yes, most important right now is that it was identified with a party. Now we will advance to completely disconnecting the Army from any political party—in this case, the Sandinist National Liberation Front [FSLN].

The Sandinist name links it to the past, and if it is considered necessary to change the name, that would not be a problem. We have already thought that if the name is to be changed, we would find an appropriate name, such as the Army Defender of National Sovereignty [Ejercito Defensor de la Soberania Nacional], as was the name of the Army led by the general of free men, Sandino, our national hero.

[Reporter] So you have thought of changing the name from EPS to Army Defender of National Sovereignty?

[Ortega] Exactly, Defender of National Sovereignty. We are [words indistinct]

[Reporter] Are there are any changes within the Army's General Staff?

[Ortega] We have not yet considered making any changes. We do not think it necessary to make any changes.

[Reporter] Are there any future plans to reduce the number of troops within the Nicaraguan Army?

[Ortega] For the sake of the country's economic situation, and according to the Central American plans, the

regional balance of forces, and so forth, we are studying the possibility and soon we will present a plan to reduce the Armed Forces so they will be more compatible with the economic and social reality of the country. However, our country should not be left without basic protection according to the more advanced Central American framework for peace.

[Reporter] Does this mean that Gen. Humberto Ortega agrees with the proposal that a civilian army be formed in Nicaragua?

[Ortega] I consider all Nicaraguans to be civilians, and we are all determined to defend the fatherland and pick up weapons when needed. To that end, the Army is a professional instrument that makes it possible—at a given time and if necessary—to call on citizens to defend the fatherland in an organized manner. Therefore, we will have a professional army—relatively small, but very technical and very modern—that is capable of quickly mobilizing two million people in a couple of days.

At any rate, this is what we will be doing to change, making use of the 10 years of experience we have. Later, we will have other answers.

[Reporter] As a past general in the EPS, do you believe that the military experience of the last 10 years has been good or bad?

[Ortega] From the military point of view, we have gained great experience. Undoubtedly, I would have preferred that we had never had war in Nicaragua. I believe that the most beautiful war is the war that never takes place. As a soldier I believe that when there is war, no experience is good. I believe that the best military experience is when the military prevents war.

[Reporter] Thank you very much.

Godoy on Ortega's Post, Relations With Chamorro

PA2804134290 Managua Radio Corporacion in Spanish 2300 GMT 26 Apr 90

[Text] Nicaraguan Vice President Virgilio Godoy said this afternoon that the Nicaraguans who voted for the Nicaraguan Opposition Union [UNO] on 25 February must maintain their trust in the union because its problems will soon be resolved.

Godoy also said he did not know that President Violeta Chamorro was going to appoint Humberto Ortega to a post. He stated: I was not told anything about that.

[Begin recording] [Godoy] [Words indistinct] to check on the offices of the vice president, and I was susrprised to see that these offices have not been turned over to the new government yet, that they are still being held by the former government. This is really an irresponsible action. It will not be until tomorrow that these offices will be available to the new executive branch authorities.

[Reporter] This means that right now there is no government in Nicaragua, since the previous government is supposedly no longer in power and the current government has not taken possession of its offices. How is the government functioning right now?

[Godoy] President Chamorro [words indistinct] until tomorrow will be using government [words indistinct] to carry out normal activities. [Words indistinct] should not function there.

[Reporter] [Words indistinct] Nicaraguan supporters of the new government?

[Godoy] To tell you the truth, I was officially informed about this yesterday [words indistinct]. My source is rather reliable and trustworthy. [Words indistinct]

[Reporter] Doctor, how are relations between the president and you, considering that you were not informed about the appointment of Humberto Ortega? There is also talk about pacts between government advisers and the Sandinists. Do you know about this? What could the consequences of such pacts possibly be?

[Godoy] Right now there are many rumors going around. They probably have to do with a general feeling of disgust over the retention of Humberto Ortega at the head of the Armed Forces.

Today, a little after 1700, I had the opportunity to pass by the Plaza of the Republic. It was full of people at that time, and the people were shouting against the retention of that military man.

When there is talk about this kind of matter, rumors are spread. Rumors are also a means of communications to express feelings [words indistinct].

[Reporter] Thank you, doctor. If you have anything to add as vice president of Nicaragua or as Dr. Virgilio Godoy, we are always at your disposal.

[Godoy] Thank you, I would like for the media to continue seeing me as the common citizen I have always been and hope to continue being. I hope that just as you came this morning to the offices of the Independent Liberal Party, you will continue doing it in the future in spite of the public post I now hold.

[Reporter] Do you want to say anything to the Nicaraguan people?

[Godoy] I want to ask the Nicaraguan people to trust us, because we are definitely going to resolve our problems, one way or another, as soon as possible. [end recording]

Union Official Reacts

PA2904204990 Managua Radio Catolica in Spanish 1130 GMT 27 Apr 90

[Interview with Ramiro Gurdian, vice president of the Higher Council of Private Enterprise and president of

the Agricultural and Livestock Producers Union of Nicaragua, by unidentified reporter on 27 April; place not given—recorded]

[Text] [Gurdian] I believe that the most important issue the people are talking about right now is Violeta Chamorro's decision to retain Humberto Ortega as Army commander. I think this is a mistake. The people did not vote for that. Let us hope that this matter will be corrected. Humberto's appointment does not provide the trust that the private sector would like to have in this government. It does not create stability for the production sector.

We cannot forget that on several occasions Humberto Ortega ordered that we be hanged from trees. This past December he issued an army decree or communique practically ordering that we be executed. These things cannot be forgotten.

Humberto Ortega does not represent security. I believe that Chamorro made a grave error by retaining him as army commander.

[Reporter] You had been calling for a climate of trust to have the conditions necessary for investments and jobs. It was believed that with the establishment of a new government this climate of trust would emerge. Has this climate been reestablished?

[Gurdian] No, it has not. The one giving the orders, the one that has power, is the Sandinist Front. The responsibility for the economy has been dumped on Chamorro. This is what has happened. The problem is that one would like to back the new government, and we are looking for ways of doing it. We do believe that if we do not back it, Nicaragua will be worse off. Having to choose between two evils, I believe that we should back the new government. Definitely. It is true that the situation has improved. We cannot close our eyes and say that nothing has changed in Nicaragua. There have been important economic changes, but investments still have no security. For example, there is no security that there will be peace. Also, the resistance has said that it will not be demobilized because of Humberto Ortega's appointment. The continuation of the war represents a big problem for the economy.

These are difficult situations we are facing. I repeat, it is true that we are better off now than before, but conditions are not as adequate as they should have been by now.

[Reporter] What do you foresee for the agricultural cycle about to begin?

[Gurdian] I think we will see a situation similar to that of last year. I do not think the situation will improve or that production will be higher. Many things would have to happen quickly for there to be a change. The cycle of basic grains will be similar. The Agriculture Ministry has not paid cotton producers for their past harvest yet. Cotton producers have huge debts. Cotton is great business for Nicaragua, but a bad business for the producers. This is not logical. If a product is good for Nicaragua, it should also be good for cotton producers. This problem has not been resolved.

We are, of course, in the first days of the new government. I think that the Sandinist Front had been adroitly saying that it would cooperate with the transition period and with everything else, but it has not really cooperated. If we analyze everything they have done, we will see that their idea was to mix things up. For example, they did not pay the cotton producers for their product. The cotton producers delivered the recent harvest to the past government, which did not pay them. There are other cases. I have been informed that the Agrarian Reform Ministry, today's Agriculture Ministry, left only two vehicles available to the ministry. The other vehicles, they say, were simply donated to the workers. This shows that the Sandinist Front is not acting in good faith.

It is difficult to accept this and to face the situation. We must continue struggling. We cannot lower our guard. We must keep criticizing, speaking. Let us hope that Chamorro will listen to us. We have to help her, yes, but we are not happy with her right now.

[Reporter] Mr. Gurdian, what do you think about the 100-day plan announced by Dr. Mayorga?

[Gurdian] I think that plan will not work. I do not think that this is a matter of 100 or 200 days, because there will not be the reactivation that had been expected. There could be problems getting the international aid. We do not know what is going to happen, and all this because of one man: Humberto Ortega. This is what is illogical. We have never called for the elimination of the entire army. We have just called for somebody else's appointment. Ortega's whim to remain as commander of the Armed Forces could endanger the country's economic recovery.

[Reporter] What are you going to do about this?

[Gurdian] We will continue insisting and trying to make the country go forward with the cooperation of the agricultural and private sectors. Definitely.

[Reporter] Do you plan to issue a formal statement, or will you request a meeting with Chamorro? What will you do to formally report on what you have said?

[Gurdian] I think we have to let the government people get acquainted with their offices. We must realize that this is their first day in office. We are going to have meetings and make suggestions. We have been cooperating. All the sectors have been working. The agriculture minister counts on the work of all sectors for the work that has to be done. We have cooperated, but we are a little disappointed with the situation. However, we must keep moving forward. Our first obligation is to the recovery of Nicaragua, and we are going to work for that.

[Reporter] You have mostly spoken about the executive branch. Do you see everything being related to that branch of power? What is your opinion about the other branches?

[Gurdian] The issue that has had the greatest impact on the Nicaraguan people and the international community is the presence of Humberto Ortega. Regarding the legislative branch, what has happened is a shame. The fact that the deputies who support Chamorro through Alfredo Cesar have joined the Sandinist Front to form the board of directors of the National Assembly is a shame. What has happened in the legislative branch is sickening. The board of directors is not composed of the people chosen by UNO. The board of directors is the result of an alliance, of a pact, whatever you may want to call it, between the Sandinist Front and an UNO group that has become the ally of the Sandinist Front. This is a fact. This UNO sector allied to the Sandinist Front is the sector with Alfredo Cesar. They are the representatives of Chamorro. They have been working to have the legislative branch get along well with the executive branch. The funny thing is that the legislative branch is going to get along better with the executive branch by getting the support of Sandinist Front deputies. History and the people will reproach them for having lost in negotiations what they gained in a very clear electoral victory. I think this is something that deserves much analysis. The Nicaraguan people will reproach them for that.

[Reporter] Do you have any other statement to make?

[Gurdian] Yes. I believe that the appointment of Dr. Gustavo Tablada as director of the Agrarian Reform Institute represents a mockery of Chamorro's government.

They have placed a psychiatrist at the head of that institution, as if the agrarian reform were a matter for the insane only. Out of respect, they should have put somebody there who has experience in that field, somebody who saw some of his land confiscated by the Agrarian Reform, and I am not talking about myself, because I had no land confiscated by the Agrarian Reform Institute. It would have been nice to appoint to that post somebody who saw his land get confiscated by the agrarian reform, but, no, they have chosen a psychiatrist. I respect Dr. Gustavo Tablada very much. I have nothing against him. I just do not believe he is the right person for that post. Apparently his appointment was the result of negotiations. This is not logical. I think the government has been disrespectful toward the Nicaraguan agricultural and livestock sector by doing that.

Commentary on Decision

PA2904193690 Managua Radio Corporacion in Spanish 2329 GMT 27 Apr 90

[Station commentary]

[Text] Dear Mrs. Violeta Chamorro, president of the Republic:

In these trying moments, we have decided to address this open letter to you that we will only read via the channels of Radio Corporacion. It has to do with the appointment of General Humberto Ortega, which has already generated so many commentaries.

We understand that it is difficult to make decisions that satisfy everyone, and more so when political decisions are involved. However, lack of understanding is among the things that public figures must (?face).

You could have weathered the storm by explaining before your speech why you had decided to leave Gen. Ortega as commander of the Army. You should have said that this Army, although it is being described as professional now, was shaped by Sandinism, was trained and indoctrinated by communist countries, is ideologically prepared to defend a specific cause, and is the armed wing of a political party that gave it its own name.

It is logical to think that members of an Army such as this one follow orders only from their own bosses, and that for you it would be more than difficult to control it. The people who voted for you, who voted for democracy and for a change that would benefit the (?poor) without distinguishing ideologies and political affiliations, believe that there are only two ways to overcome the problem:

First, there is the political measure that you chose, which consists of leaving Gen. Ortega in his post and tasking him with the gradual dismantling of the Army, because a small country such as ours, which is bankrupt and indebted, cannot afford to maintain a military force as big as the one we have. Civilians currently holding weapons of war will be disarmed and, in keeping with the Constitution, the new government that you head will be honored.

This decision of yours has created profound uneasiness among your followers. However, it would advisable for you to explain to them that this was the correct although slower path to choose.

The second choice is easier, but exceedingly dangerous, because it could become a powder keg that could blow up thousands of people, triggering a bloodbath that nobody wants and that we would forever regret. You know what this measure is and you have the power to enforce it. You could issue a decree abolishing the army just as they did in Costa Rica. Of course, other conditions prevailed in Costa Rica because they had just ended a civil war that had caused many deaths. The conditions were ripe there since the people were willing to accept it because they were tired of suffering, and besides, at that same time, Costa Rica's civilist spirit was being forged, banishing the ghost of war forever.

Costa Rica's great stability is due to the absence of a professional army that gobbles up a great part of the national budget.

My dear madam, do not have the slightest hesitation about speaking to the people who elected you. The people will support you and will understand the reasons that led you to adopt those measures. To remain silent is worse, because it leaves the mind predisposed to other interpretations. Listen to your people. Communicate with them, because the voice of the people is the voice of God.

May God be with you and lead you in these moments of great decisions. Thank you.

Recent Contra 'Terrorist' Actions Reported

PA2704151590 Managua Radio Ya in Spanish 1220 GMT 27 Apr 90

[Unattributed news bulletin issued in Managua on 26 April]

[Text] The warmongering forces of the counterrevolution continue to violate the definitive cease-fire agreement signed on 19 April and are increasing their terrorist actions against the civilian population and various economic targets.

The contras carried out the following criminal actions:

1. At 1900 on 21 April, mercenary groups arrived at Cano San Luis, southwest of San Miguelito in Rio San Juan Department, and stole a cow and a large number of chickens from the peasant Presentacion Miranda.

2. At 1900 on 23 April, the contras killed Jose Garcia Montalban, a disabled war veteran, and stole 20 cattle from San Martin Cooperative, located northwest of Nueva Guinea in the Autonomous South Atlantic Region.

3. On 24 April, they intercepted a vehicle on the Juigalpa-La Libertad road in Chontales Department in which Lieutenant Villegas of ONUCA [UN Observer Group in Central America] was traveling. They held him from 1600 until 2000.

4. On the same day, the contras intercepted a passenger vehicle in La Esperanza, northwest of San Sebastian de Yali in Jinotega Department, and intimidated and threatened the passengers.

5. At 0600 on 25 April, they intercepted a launch owned by the National Union of Farmers and Cattlemen, UNAG, in Punta de la Buena Vida, northwest of El Tortuguero, in the Autonomous South Atlantic Region. The contras stole the launch and kidnapped three civilians: Pedro Avila, member of El Tortuguero's autonomous council, Ramon Sanchez, and Nicolas Sevilla.

Issued in Managua on 26 April 1990

Contra Leaders Agree Not To Begin Demobilization

PA2704135890 Managua BARRICADA in Spanish 26 Apr 90 pp 1, 5

[Report by Martha Marina Gonzalez]

[Text] El Destino, Yali—The contra military commanders on 25 April agreed not to deliver their weapons and conditioned their compliance with the agreements for demobilization and disarmament, which were to begin to be implemented on 25 April following the transfer of power in Nicaragua, to the removal of Army General Humberto Ortega. This was announced by contra leader Israel Galeano, better known by his alias "Franklin."

Galeano made the announcement in this locality of Segovia, located 23 km northeast of Yali, before more than 600 heavily armed men, who said that they are not ready for disarmament, despite the agreements signed before UN international observers.

Present at the meeting were top contra leaders "Franklin" and "Ruben" (Oscar Sobalvarro), and Aristides Sanchez. Also present were Roberto Ferrey, representing President Violeta Barrios, a delegate of Cardinal Obando y Bravo, and representatives from ONUCA [UN Observer Group in Central America], the OAS, and CIAV [International Commision of Support and Verification].

Ferrey explained the recently signed agreements for demobilization and disarmament, saying that the fact that the Sandinists have turned over power does not mean that the war is over, and that they—the contras—should abide by the agreements so that there can be real reconciliation in Nicaragua.

He reminded the contras that their regrouping in the designated areas is part of those commitments and mentioned Chamorro's electoral promises. "I reiterate my respect to you, heroic fighters, to whom I express special recognition."

Ferrey told the contras that they should remember that they are not defeated forces and urged them to lay down their weapons. He stressed that "if it depended on me, I would not have appointed Ortega commander of the Armed Forces."

OAS representative Arturo Garzon also addressed the contras, expressing his willingness to contribute to create the necessary conditions to facilitate their incorporation into civilian and productive life once they lay down their weapons.

Meanwhile, "Franklin" said that the contras have shown their willingness to comply with the agreements with the presence of their top leaders, which he described as "a step that proves their willingness."

"We will remain here within an area delimited geographically to concentrate our forces. From here we will make

sure the agreements are complied with. We do not want a Kupia Kumi [reference to the Kupia Kumi pact of 1974 signed between the opposition and the Somoza regime which eventually resulted in the splitting of the opposition to the Somoza regime] between the Sandinists and the new government," the contra leader stressed.

Afterward, he asked the troops if they wanted to lay down their weapons. The heavily armed troops who stood in front of him questioned President Violeta Chamorro's decision to confirm Gen Humberto Ortega as commander of the Armed Forces and said that they are not willing to deliver their weapons. "Franklin" then said that if that was what the troops decided, he would be the last one to turn in his rifle.

It had been expected that some 150 contras would lay down their weapons and that an equal number would enter the security zones to regroup in order to begin the demobilization process scheduled to begin yesterday. However, none of that happened.

International observers who were present at the El Destino declined to comment on the stand taken by the contras.

ONUCA Confirms Army Report on Contra Movements

PA2704193290 Managua Sistema Nacional Television Network in Spanish 0330 GMT 27 Apr 90

[Text] Sandinist People's Army [EPS] sources reported today that yesterday counterrevolutionary troops entered the town of San Rafael del Norte, Jinotega Department. This report has been confirmed by Managua-based spokesmen for the UN Observer Group in Central America [ONUCA].

According to reports, a group of approximately 150 contras entered San Rafael del Norte, taking advantage of the fact that the EPS troops had left the town as a result of the 19 April agreement.

This afternoon ONUCA delegates were trying to persuade the group to leave the town and to report to the enclaves assigned them in the framework of the recently signed agreements on demobilization and disarmament.

Chamorro Delegate on Demobilization, Tasks Ahead

PA2704201090 Managua Radio Catolica in Spanish 1130 GMT 27 Apr 90

[Interview with Roberto Ferrey, delegate of President Violeta Chamorro to the Special Transition Commission, by unidentified reporter; place not given—live]

[Text] [Reporter] A news report that has made the front pages in local and international newspapers has been the assertion that the contras will not disarm because of President Violeta Chamorro's announcement that she will leave General Humberto Ortega Saavedra in the post of Army chief. We want to know if this assertion is true, if this decision has been adopted by the Nicaraguan Resistance [RN] as such, or if this is a decision by some group which is acting independent of that organization. To find out, we have contacted Dr. Roberto Ferrey, who has been in touch with the RN leaders in his capacity as President Chamorro's delegate.

Dr. Ferrey, what can you tell the listeners of "The Awakening" newscast and Radio Catolica?

[Ferrey] First of all, I can say that on 25 April, the very day Violeta Chamorro assumed the post of president, we went to the place known as El Destino, which is inside the first security zone established in accordance with the Toncontin Agreement, and there we were able to participate in a meeting with a sizeable group of RN fighters and the top RN leaders, particularly with Commander "Franklin" [Israel Galeano].

This meeting was being held to comply in part with the cease-fire agreement, which established a timetable, and with the agreement signed by the RN and the new government, which provides that from 25 April and not later than 10 June the process of demobilization must be completed. The meeting was public and we talked in front of reporters and many civilian residents of the area. The RN fighters and their leaders expressed some concerns. A specific concern was Humberto Ortega's appointment as Army chief. However, the talk was held in a civil atmosphere and there was no acrimony or aggressiveness. They said they had been somewhat surprised by the decision, but the talks actually reflected a desire and intention to move on with this process and to find ways to begin the demobilization.

This meeting was attended by a delegate of the UN military mission and a delegate of the OAS, both of whom told the fighters that they were already in a position to attend to the matter of the demobilization. We feel that a problem which is arising is that some media are taking a negative approach to the situation. They are putting emphasis on certain things, like BARRICADA did this morning, for instance. It pointed out that the contras are rebelling, and it did so in a front page headline in this morning's issue. This is not contributing in any way to this delicate process, which is an absolute priority for Chamorro's government.

An autonomous institute has been created for repatriation. It will be headed by Dr. Leopoldo Navarro. In addition to handling the demobilization aspect, which, I repeat, is a priority issue, it will also handle the problems of the refugees and all other persons who have been displaced, harmed, or affected by the armed conflict in one way or the other. Again, this is a topic of utmost importance to this government. More importance should be attached to it, and no one should try to carry negative messages about it, which in no way helps or furthers the solution to this problem.

A key element in settling this situation would be that all parties involved, that is, the RN, the new government, and the Army—which is no longer Sandinist even if it retains the name, because what we have in Nicaragua

now is a national army that, as Chamorro said on 25 April, is subordinate to the civilian authorities, and specifically to the authority of the president as supreme Armed Forces commander...[changes thought] Things should be given a positive slant at this moment. There is much expectation. The new government has not even been in power for 48 hours yet, and it has to be given an opportunity to begin adopting a number of decisions which were announced on 25 April and that will produce a really deep change in this country. I refer specifically to the suspension of military recruitment, which means that thousands of youths who were subject to obligatory military service will now be able to return to their homes. Logically, this means a reduction in the burden of the military apparatus which had been maintained.

Chamorro also announced a revision in the Armed Forces' budget. This means that it will be reduced, because it will not be revised to increase it. It will be revised to cut it. Logically, this will affect the structures of the current Army. In addition, Chamorro ordered that Humberto Ortega himself draft a plan to restructure and reduce the size of the army in accordance with the UNO's program to meet this country's actual needs.

Other real needs are these: The war should end, the definitive cease-fire agreement signed on 19 April should extend indefinitely, and there should be no fighting ever again in our nation's territory.

[Reporter] Thank you very much, Dr. Ferrey, for these statements for Radio Catolica.

Chamorro, Contra Chief To Discuss Disarmament

LD3004122290 Madrid Domestic Service in Spanish 0600 GMT 30 Apr 90

[Text] The political adviser to the anti-Sandinist contras has said that President Violeta Chamorro and the contras' military chief, Israel Galeano, could meet in Managua in the next few days to discuss new conditions for the disarmament process of the Nicaraguan rebels. Special correspondent Jose Manuel Martin Meden in Nicaragua:

[Meden] Good morning. The contras' political adviser, Aristides Sanchez, has announced to Madrid National Radio that President Violeta Chamorro and the contras' military chief, Israel Galeano, better known as Commandant Franklin, will meet here in Managua in the next few days to negotiate the anti-Sandinist combatants' new conditions for laying down their arms. There is a list of demands that the contras will put to the president, but Aristides Sanchez has not revealed them. The contras' political adviser says that they have 20,000 armed men and enough reserves of munitions to continue fighting if there is not a real change in Nicaragua. Aristides Sanchez reveals that some 2,000 contra officers have been trained in the United States. However the contras' political adviser Aristides Sanchez, who has been regarded as a CIA agent for 10 years, now says that the contras will be betrayed by the U.S. if Washington allows their demobilization.

Tinoco on Demobilization, ICJ Case Against U.S.

PA2704193590 Managua Radio Sandino in Spanish 1238 GMT 27 Apr 90

[Text] Commenting on the role of the representatives of ONUCA [UN Observer Group in Central America] and the CIAV [International Commission of Support and Verification] in the process of demobilizing and disarming the contras, former Deputy Foreign Minister Victor Hugo Tinoco said that the international observers who are participating in the process to demobilize the contras have warned that if the plan does not work within the established period, they will leave the country, leaving the solution of this problem in the hands of Nicaraguans.

He said that the CIAV and ONUCA have been very clear. They cannot wait too long or gather up the contras. If the contras do not disband in the established time, in other words by 10 June, the observers could leave the country and the elected government will have to resort to the national army, the Sandinist People's Army, to directly confront the contras, Tinoco warned.

Tinoco also referred to a possible attitude by the new government concerning the suit that Nicaragua filed against the United States—found guilty of aggression—at the International Court of Justice [ICJ]. He said that to desist from the need to make the United States comply with the ruling of the ICJ, which declared the U.S. Government guilty of the destruction and death it caused in Nicaragua, would be tantamount to selling off the people's suffering for a few coins.

Of course, the new Nicaraguan president can amend the laws which were approved by Sandinism to preserve the Nicaraguan people's right to sue the United States and make it compensate our country for the damage it caused, Tinoco added, but that would mean disregarding the rights of Nicaragua. It would mean betraying the people and forgeting the destruction, the dead, the tears, and the suffering of the people caused by the United States, Tinoco concluded categorically.

Official Rate of Exchange Devalued by 23 Percent

PA2804191790 Madrid EFE in Spanish 1630 GMT 28 Apr 90

[Text] Managua, 28 Apr (EFE)—Violeta Chamorro's government lowered the official rate of exchange between the cordoba to the [U.S.] dollar by 23 percent today, one day after devaluing it 80 percent in the authorized parallel market.

The dollar went up from 53,800 to 70,000 cordobas in the official market, while in the "black market" it is worth 155,000 and in the parallel market, 144,200 cordobas.

Yesterday, the Central Bank of Nicaragua placed bills for 500,000 and 1 million cordobas into circulation.

BARRICADA, the official newspaper of the Sandinist Front, which has been in the opposition since 25 April, reported today that the devaluations ordered by Central Bank President Francisco Mayorga have caused a "veritable upheaval" in the workers' pockets.

FSLN Establishes Itself as Force Within Assembly

PA2704191590 Managua BARRICADA in Spanish 26 Apr 90 p 3

[Unattributed article: "Sandinism Decides First Round: Three Parliamentary Forces"]

[Text] The new National Assembly's exciting installation session, in addition to proving that in place of two there are three forces drawing the legislative carriage, constituted the first crushing defeat for the radical sectors in the UNO [National Opposition Union].

This defeat is reflected in the configuration of the National Assembly's new Directorate, which resulted from a distribution of forces in which the Sandinist National Liberation Front [FSLN] proved to not only be a stabilizing factor, but a decisive force in a contest that is only now beginning.

Meanwhile, the UNO's attempted monolithic cohesion once again lay bare. The radical and revanchist faction headed by Virgilio Godoy was unable to impose its influence on the more realistic and sensible sectors, but these sectors were also unable to neutralize their contenders.

The fact is that the FSLN's stabilizing positions prevailed over the UNO's internal disputes. From the beginning of the deliberations, the FSLN was the key factor in reaching the consensus of positions and national interests which shaped the Assembly's board of directors.

Perhaps the unanimous designation of Miriam Arguello, the Godoy group's candidate, constitutes—to the sorrow of those very radicals—the clearest proof of the Sandinists' maturity, on the one hand, and that the radicals' stubbornness will not lead to anything positive, on the other. Their position is not intelligent and places them at risk of being left out of the picture altogether, such as at a certain time when they did not intend to have their candidate assume the Assembly's Presidency.

Another important precedent, not so much in itself but because of what it concealed, was the method of election. While the radical sectors insisted on coercing their frightened and hesitant fellow party members, the Sandinist initiative made it possible for a secret vote to topple the wall of pressures exerted by Godoy's followers (Godoyistas) led by Bonilla, against the supporters of a president who claims to favor national reconciliation.

From that first moment it was up to the Sandinist faction of the Assembly to offer the other deputies the alternative of a truly free and pluralist election of the Assembly's board of directors. The radicals' plan to bulldoze the voters was defeated by the force of the Sandinists' arguments and firmness.

It can be undoubtedly asserted that this was the first battle in defense of the masses' political opportunities. It was a true lesson of opposition in which the FSLN, besides showing off its parliamentary experience, established guidelines aimed at encouraging initiatives on other fronts of the struggle.

However, this first battle at the National Assembly has also brought to the fore the fragile and hesitant positions of some of the UNO parties, which is a circumstance that should further encourage the Sandinists to maintain their initiative.

And because these expressions of weakness on the government parties' part are serious factors of instability, it is necessary for the Sandinist faction to urgently defend constitutional order, imbue the legislature with stability, and tie the radicals' hands.

Station on UNO Members' Anti-Sandinist Actions

PA2704215990 Managua Radio Sandino in Spanish 2029 GMT 27 Apr 90

[Unattributed commentary]

[Text] On 25 April, when Dona Violeta Barrios de Chamorro was sworn in as president, drunken people attempted to destroy the mausoleum of Commander Carlos Fonseca Amador during the popular feast held in the Plaza de la Revolucion. The followers of UNO [National Opposition Unity], who acted against one Sandinist family and nearly destroyed the Sandinist Community House in the Jorge Hinestroza Barrio, perpetrated an antidemocratic action that has nothing to do with national reconciliation and the policy of peace that Mrs. Chamorro's government allegedly fosters.

This aggression is all the more serious because it was plotted with the participation of a so-called independent newscast broadcast by the now so-called National Television System. This is serious aggression against freedom of thought and Sandinist ideology, which was not respected by UNO followers. This precedent is serious because it puts the Sandinist families in a defensive state of alert. The Sandinists recognized that they lost the elections and, generally speaking, have respected UNO followers in the barrios.

Another regrettable action that has been called to our attention since the beginning of the new government is the lack of respect for the journalists who work for the National Television System. This system yesterday unashamedly manipulated information by broadcasting an absolutely government-oriented newscast, devoid of all professional objectivity. The journalists and workers

of the National Television System have threatened to strike. They stopped the system's operation at noon today because of the shameless abuses of the new director of the system, who should cast an objective, informative image. It is also necessary to reconsider the policy of using the Somozist broom in the financial system. Dr. Francisco Mayorga has fired prestigious and experienced professionals, such as Antonio Medrano, Luis Angel Montenegro, and other directors, whose only crimes have been to serve their people and understand the needs of their subordinates with whom they have kept close relationships over the past 10 years.

Care, great care must be taken with the untimely steps of officials of the new UNO government. These steps are apart from the spirit of harmony and national (?convergence).

Bomb Explodes at Home of UNO Adviser Palacios

PA2804154890 Managua Radio Sandino in Spanish 1418 GMT 28 Apr 90

[Text] A powerful bomb exploded last night around midnight in the Efrain Ortega neighborhood of Jinotega, at the front door of the residence of Dr. Alfredo Palacios, a well-known attorney and adviser for the National Opposition Union [UNO].

The explosion was heard throughout the city. It demolished the walls of the residence and tore off the front door, frame and all, forcing the residents of the house to adopt emergency measures.

A short while ago, Dr. Palacios and his wife Amparo stated their total disapproval of the person or persons who carried out this attack, an attack the people have also repudiated.

The Palacios family has urged the police authorities to try to exert control over the people who have taken on the dangerous game of placing bombs at people's homes. A few days ago a grenade exploded on the patio of the residence of Dr. Marlon Castillo. Another grenade exploded in the residence of Pedro Veliz, a millionaire.

The residents of the 20 May neighborhood also called for a halt to this type of incident, informing Radio Sandino that the home where the bomb exploded was also occupied by four children who were asleep and then awakened in a state of shock as a result of the explosion.

Editorial on 'Test' of 'Self-Determination'

PA2804130490 Managua BARRICADA in Spanish 26 Apr 90 p 3

[Editorial: "The First Thing: 'Test' of Sovereignty"]

[Text] From the very first day, the people will subject President Chamorro's government, which was inaugurated yesterday, to its first inescapable test: its credentials of sovereignty. For the last 10 years, this country, through the FSLN [Sandinist National Liberation Front], has been resisting all attempts by a foreign power to overthrow it. Therefore, the question of national self-determination has become a part of the peoples' lives. In view of this legacy of sovereignty with dignity handed down by Sandinism, the new president will have to show with deeds that her dependency on U.S. financing during the campaign will not mean subordinating her government to the U.S. Administration.

Yesterday, by confirming General Humberto Ortega as head of the EPS [Sandinist People's Army], the president abided by a vital aspect of a sovereign agreement among Nicaraguans; the transition agreement. Her decision to respect the constitutional army's chain of command will instill trust and a sense of security in most Nicaraguans regarding an end to the war. We are well aware that extremist minorities will question her decision and will try to use it as a battle cry to blackmail the UNO [Nicaraguan Opposition Unity] government.

Yesterday, the contra leader "Franklin" refused to carry out the first phase of the contra disarmament plan under the pretext that the Armed Forces High Command has not yet been dismantled. This threat is merely the first in a series of pressures against the newly born government. If this threat is not faced firmly, it could endanger the country's stability.

The new government, until now, has shown a reasonable capacity to cope with the demands of the most irrational UNO sectors. However, we still have to see if it is strong enough to resist U.S. pressure aimed at forcing a negotiated policy regarding the outdated thesis of "symmetry" between the EPS and the contras. Will this new government trade its independence for urgently needed U.S. economic aid? Will it make a deal regarding its promise to disarm the contras by 10 June at the latest? Will it accept more alibis from the contras in the future if they refuse to disarm?

Whatever the answers to these questions may be, the government will never be able to blame the contras' refusal to disarm on Gen. Ortega being the head of the Army. In any case, the obstacle will not be Ortega. It will be leaders like "Franklin," "Ruben," and Aristides Sanchez, who are embarked on the dangerous adventure of disavowing the commitment of unconditional disarmament.

On the contrary, the presence of Gen. Ortega and the other Armed Forces' commanders is the country's only guarantee for preserving its security against an unconventional force that threatens to renege on agreements signed between the government and UNO in Toncontin and Managua.

Reducing the Army to adapt it to the country's economic possibilities is a different matter. We must bear in mind, however, that unless the contras demobilize within 46 days, as agreed, we will see no economic improvement, nor the national reconciliation planned by Violeta Chamorro.

Radio Sandino Reports Bank Employees' Strike

PA2704214990 Managua Radio Sandino in Spanish 2022 GMT 27 Apr 90

[Text] This is a last-minute report. All banking offices were closed at noon today to protest the dismissals of the directors of Banic [Bank of Nicaragua], Antonio Medrano, and the National Bank of Development, Luis Angel Montenegro.

All bank branches have been closed and the employees are inside their offices. This is probably a partial stoppage to warn the president of the Central Bank of Nicaragua, Francisco Mayorga, to reconsider his stand and reinstate the two prestigious bankers to their posts.

The stoppage could last for an indefinite period of time if Dr. Mayorga insists on appointing his personal friends to replace the two men. The strike could paralyze the country's economy, inasmuch as it is impossible to conduct any commercial operations or meet payroll payments while the banks are closed.

Police Captain Explains Actions in Recent Riot

PA2704191690 Managua Sistema Nacional Television Network in Spanish 0200 GMT 27 Apr 90

[Text] Captain Cristian Mungia, subcommander of the Sandinist Police, reported today that as a result of celebrating, by the National Opposition Union [UNO] on the occasion of the recent presidential inauguration, 21 persons were arrested for attacking authorities and trying to destroy the mausoleum of Commander Carlos Fonseca.

[Begin Mungia recording] The first police patrol unit that acted to arrest the attackers was composed of only five agents. These five agents were attacked with bottles and hard objects, and one police agent, Wilton Betanto, was hit on the forehead by a bottle. This forced us to adopt measures to impose order.

Police reinforcements were sent in and we tried to check the situation, but the attacks continued. We realized that the situation could get out of hand and have serious consequences, so we decided to use tear gas. We used four teargas canisters and succeeded in breaking up the groups, thus controlling the situation. [end recording]

Panama

Canal Administrator Designate Seeks New Agency

PA3004040490 Panama City EL PANAMA AMERICA in Spanish 28 Apr 90 p 7-A

[Article by Eduardo Alvarado]

[Text] Engineer Gilberto Guardia, who was designated by President Guillermo Endara to be the administrator of the Panama Canal Commission, has said that it is necessary to create a Panamanian organization to be in charge of administration and operation of the canal area.

Mr. Guardia also suggested that a discussion of the former Canal Zone was necessary.

As for the creation of a Panamanian institution to manage the canal, Guardia said the organization that is currently running the interoceanic waterway is a U.S. Government agency, which is subject to the laws of the United States and to the treaties.

Guardia said it is important for our country to have a new government institution by the year 2000, whether it be a private or mixed enterprise, so that Panamanians as well as the rest of the canal's users can be sure that it will continue to operate in a stable manner.

It is important to offer a high level of security to the ships crossing the waterway by keeping the time required to do so reasonable. To do this, we this must adopt policies that will ensure the excellent operation of the canal.

Guardia also said that we have to increase the services offered to the canal users by making the tolls more competitive with regard to alternate transportation routes and systems.

This can only be achieved if we have an organization that can operate with true autonomy, away from the comings and goings of party politics and with a clear independence from the pressures that could turn it into political loot.

Guardia said that if such an institution is created, laws guaranteeing its autonomy and independence and regulating its operations will be necessary. Labor laws should also be passed that include the currently existing merit system.

CCN Coordinator Calls for 'Political Truce'

PA2804175190 Panama City EL PANAMA AMERICA in Spanish 27 Apr 90 p 16-B

[Report by Juan Pritsiolas]

[Text] The National Civic Crusade (CCN), through its coordinator Dr. Fernando Boyd, made a "patriotic" call in Parliament yesterday to "put aside sectorial and individual interests" and establish a "political truce to prevent the rupture of the budding Panamanian democracy."

Boyd made this statement during a speech to thank the legislative branch for its approval of a resolution praising the CCN's role in toppling General Manuel Antonio Noriega's regime.

The CCN leader said that we must promote civic and moral consciousness to reach a "pact among Panamanians before it is too late," for the sake of the fatherland and "the future that cost us so much blood and suffering to build."

Fernando Boyd said that the CCN "demands a political truce for the sake of the fatherland now," and added that although Panama is experiencing the dawn of a new day in which justice and liberty are the main foundations of our existence, "there is still much to be done and we are running out of time."

He maintained that "there is still a long way to go before we can achieve an absolute democracy rooted in our soil." Boyd recalled that the state branches have not yet been installed in the manner mandated by the national constitution. He added that parliament is not yet fully installed, prosecutors have not yet been appointed, and the Supreme Court and directors of state institutions have not yet been ratified.

Boyd announced that the CCN plans to create a national commission to discuss a draft charter law for the Public Force which should be approved by the Panamanian people to prevent "the citizens' rejection" of such an important institution and prevent them from thinking that it "runs counter" to the true civic interests for which this country struggled.

The coordinator of the movement that emerged in 1987 said that the CCN will continue "its unyielding struggle forever" to achieve peace, justice, democracy, and liberty. He added that the CCN will continue its efforts to ensure that Panamanians gain awareness of their individual responsibility to "monitor the government's actions to prevent the attacks of a savage and repressive tyranny from ever returning to the fatherland."

Fernando Boyd described the Legislative Assembly's recognition of the CCN as a posthumous tribute to the memory of the martyrs of civic cause, justice, and democracy. He also suggested the construction of "a national monument to honor those who offered their lives to give us a free fatherland."

In addition to Dr. Boyd, the following CCN members also attended the ceremony at the legislative chamber: Alberto Conte, Milciades Cerrud, Carlos Anquizola, Evidelia de Carreno, Carlos Abadia, Pierre Leignadier, Jose Raul Mulino, and Leyda McDolly.

Magistrate Accuses FP of Obstructing Justice

PA2904162590 Panama City LA PRENSA in Spanish 28 Apr 90 p 1A

[Report by Manuel Alvarez Cedeno; all quotation marks as published]

[Text] Eusebio Marchosky, magistrate of the State Property Directorate (DRP), has charged that "the Panama Defense Forces [FDP] monster is being revived in Panama and that the government minister has placed his confidence "in people the Panamanian people distrust."

During a news conference yesterday afternoon at the DRP's offices, Marchosky, who was visibly irked, charged that the current Public Force [FP] is blocking investigations by the DRP and the Attorney General's Office.

"These two institutions are finding it difficult to uncover evidence to incriminate persons who were linked to the wrongdoings committed during the military regime," he added.

To back up his assertion, Marchosky said that, without consulting the DRP or the Attorney General's Office, the Government Ministry appointed FP members to the Panamanian side of a joint U.S.-Panamanian commission to review the documentation on the activities of the defunct FDP.

He explained that the U.S. Army confiscated a huge quantity of FDP documents after the invasion that toppled Manuel Noriega.

Marchosky said that he learned a few days ago that "there is a joint committee for exploitation of documents made up of U.S. Army officers and FP officials."

He said he was aghast that it had fallen on former FDP members, who now belong to the FP, to review evidence which may be "against themselves."

"In other words, the ones who decide what evidence will reach the Panamanian tribunals to prosecute those who committed so many abuses against the Panamanian people are the very people who have to be tried by those same courts," he added.

Further on in the news conference he recalled that the national government has emphasized the "transparency" of its efforts, but we are in a very dark tunnel insofar as the administration of justice is concerned. Following his statements about this situation at noon today (yesterday), President Endara asked me to make whatever statements I had to make."

What I am pointing out is that here is no transparency regarding this subject (investigations on alleged wrongdoers), "but absolute darkness, because the criminals are the ones in charge of providing the evidence on the basis of which they have to be prosecuted. For this reason, under these circumstances; we at the Attorney General's Office, the Comptroller General's Office, and the DRD will be but mere clowns."

At noon, before making the statements in the afternoon, Marchosky had talked to a local television station about the citizens' frustration because of the delay in meting out justice and said that, later on, if things continued as they were, he would make statements that "will shake the country's foundations."

He recalled that when the current government received the votes on 7 May, the votes did not have a green star [symbol of the Christian Democratic Party], a bell [symbol of the Liberal Party], or a rooster [symbol of the Nationalist Liberal Republican Movement], but a word called justice.

"And that justice has been placed in the hands of those who have to receive the blow from the sword which justice must brandish," he noted.

Marchosky was accompanied during the news conference by Comptroller General Ruben Carlos and Magistrate Gonzalo Menendez Franco.

Marchosky revealed that the Panamanian counterparts were appointed by Government Minister Ricardo Arias, who chose officials he fully trusts. The commission is composed of FP Intelligence Chief Major Fernando Quezada, among others. Marchosky added that the people who enjoy the absolute trust of the government minister have the absolute distrust of the Panamanian people. At least that is his assessment.

"...but they do not enjoy the absolute trust of the Panamanian people and are very far from enjoying it," Marchosky said.

The magistrate wonders why none of the officials who work in institutions tasked with administering justice, such as the Attorney General's Office or the DRP, were not chosen or informed that information was already being channeled to the Panamanian Government.

When LA PRENSA asked him whether the Government Ministry's actions reflect discrepancies within the executive branch, Marchosky replied: "I am only reporting facts, and the citizens should draw their own conclusions."

When he was asked to reveal names, Marchosky said that names are unimportant because this is a matter of principle. Also, he added, if I do not report these facts, investigating officials would continue to lack evidence and the courts of justice would continue to issue amparos in favor of those who are facing trial due to lack of evidence or to issue writs of habeas corpus in favor of the detained, because the FP "is retaining information that incriminates its members."

Although he said that the president has not asked him to resign, Marchosky warned: "I would be playing no role in my post if justice is not administered honestly. And if there is no explanation that this country's fate will not be in the hands of the FP, I will resign, because I am no clown."

Marchosky maintained that, "with the same arrogance as in the past," FP members have refused to hand over to the DRP things that it has requested.

"If we were to talk in biblical language, someone must have told the FP: Lazarus, get up and continue walking. However, in this case a divine mandate was not involved. A monster has been resuscitated here," Marchosky said.

He also reported that some days ago the customs director and other officials were confiscating a number of vehicles for which no taxes had been paid, when FP members armed with submachine guns surrounded them, told them that they had nothing to do there, and then proceeded to drive the vehicles away.

In giving examples to support Marchosky's claims, Magistrate Menendez Franco added that in Penonome the DRP had ordered the confiscation of a vehicle that belonged to former Savings Bank Manager Jaime Simmons, who is being indicted, but Major German Pinzon, who was supposed to turn over the vehicle to trustee Generoso Carles, told Carles that he had sent the vehicle out of the province.

Menendez Franco reported other cases in which FP members have interfered with DRP actions.

As for the objects that disappeared from the L'Hermitage Farm belonging to Teresita Chism, Menendez Franco said that the Comptroller General's Office received reports that the objects were in Sea Cliff but that they could not be found because they had been hidden in a house under FP guard. He added that this prevented those who were tasked with finding these objects from searching the house in which they had been hidden. Later, when an official in Anton District was taking the objects from the house where they were hidden, the Comptroller General's Office was warned on time, and thus the hidden objects were recovered.

"This and other cases make us believe that there is a resurgence of the FP disguised under the sharkskin of Noriega's armed forces [as published], and thus we must denounce this, because the military mentality is making a comeback with gigantic steps, and the citizens must be prepared to defend the reign of justice in this country," Menendez Franco said.

He added that there have also been incidents with FP members at La Escondida Farm, where they refuse to follow the orders of the civilian trustee.

Termed 'Speculation' by Executive

PA2904172290 Panama City LA PRENSA in Spanish 28 Apr 90 p 1A

[Report by Zoila Rodriguez Jovane]

[Text] Last night the entire executive branch warned "that it would not allow, under any circumstances, speculation about possible cover-ups of crimes that may have been committed in the new Public Force."

At an improvised news conference at the Presidency, which was called to discuss the "shameful incident" that resulted from the statements made by Magistrate Eusebio Marchosky, member of the State Property Directorate (DRP), President Guillermo Endara, accompanied by the two vice presidents, said Marchosky's statements were "pure speculation."

After Endara said that the new Public Force was completely subordinated to civilian power, First Vice President Ricardo Arias Calderon condemned the fact that Marchosky did not consult with the relevant authorities to file his complaints.

When asked about the possibility of requesting the dismissal of the magistrate, Endara, visibly annoyed, said that he is an official of the Comptroller General's Office.

Moreover, Government and Justice Minister Ricardo Arias Calderon said he gave Marchosky all types of opportunities to keep in contact and talk about any type of problem caused by his subordinates that could obstruct his activities. However, Arias Calderon said, such contact was never maintained.

The first vice president described the insinuations made by the DRP official as "an act of irresponsibility," and he made it clear that the evidence obtained by the Americans during the military intervention is "under the custody of their forces," because the evidence is needed to press charges against Noriega.

Even though the vice president admitted that the documents that Marchosky wanted to investigate are in the hands of the U.S. Government, Arias Calderon said he knew that those responsible for the documents had made an appointment that should be taking place on Tuesday, 1 May.

Arias Calderon said, "I cannot believe that someone can suggest that the Government and Justice Ministry or any of its departments is making an attempt to cover-up documents that Magistrate Marchosky says he wants to see."

The government and justice minister added that it is important for those who are direct or indirect members of the judicial branch, or for those who have the title of magistrates, to behave accordingly. They should act and make judgments in accordance with the law, "and they should not make charges for publicity."

Guillermo Ford reiterated that the executive branch "will not tolerate any questioning regarding its seriousness in the handling of the public administration," but he said he understood the citizens' lack of trust following 20 years of dictatorship.

Ford stressed the need "to stop the witch hunt," and he demanded that strong evidence should be presented before the courts of justice to guarantee that any member of the Public Force who is proven to be involved in cover-ups, fraud, wrongdoing, or violations can be subjected to justice immediately.

CCN Director Conte Seeks Vote on Public Force

PA3004040390 Panama City LA PRENSA in Spanish 29 Apr 90 p 1

[Report by Wilfredo Justavino]

[Text] David, Chiriqui Province—Alberto Conte, a member of the board of directors of the National Civic Crusade [CCN], has told LA PRENSA that "the time has come for the Government Ministry to hold a plebiscite so the people can decide whether they agree with the current composition of the Public Force."

As part of the tour CCN leaders are undertaking to hear the views of the people in Panama's interior, Conte and CCN leaders Jose Raul Mulino, Fernando Boyd, and Ricardo Perez, met at the David Chamber of Commerce with provincial leaders of the organization to discuss Panama's political situation.

Conte said the main point that has come across in the tour has been the people's rejection of the current composition of the Public Force. He said that because many former Noriega officers are chiefs in the new Public Force, "the people are afraid that we are going to have the Defense Forces again."

"We have been told that some of them are known to have participated in the past regime where they used their positions to obtain many financial benefits and to repress the people; something that offers no guarantees that the new Public Force is going to be efficient, respectful, and demilitarized," Conte added.

Conte, a former president of the National Journalists Association, said the CCN wants to alert the government "to this much repeated accusation and to the same doubts the Panamanian people have about the Public Force."

"We are telling the Government and Justice Ministry that it is advisable to reorganize this institution as is being demanded nationwide," Conte said. He added that the Government and Justice minister should consider the situation and if he still has doubts, then he should hold a plebiscite "and let the people who fought in the streets decide the fate of the Public Force."

Asked what position the CCN will adopt if the government does not consider its request, Conte said: "In that case, the CCN would have no other choice but to return to the streets."

Columnist Condemns U.S. for 'Irreparable' Damage

PA2804174890 Panama City EL SIGLO in Spanish 27 Apr 90 p 4

[From the "Improvisations" column by Alfredo Icaza: "Gringo Things..."]

[Text] Those who watch gringo television channels are able to see wherein lie the latest interests of the natives of this huge country with men of small moral and mental proportions, only two or three percent of whom have true human values....

They have now taken up the Lithuania issue, and they are still dwelling on it! Now, with the issue of the "hostages" and their apparent "moves" (more like a

ridiculous "checker" board than a chess board), they are trying to divert world attention from the shameful and highly irresponsible action carried out in our country, supposedly one of their "respected" allies. They have arbitrarily and maliciously inflicted considerable, and, I would add, irreparable damage! They have taken advantage of a country like Panama which they have "exploited" for their exclusive benefit. As an arbitrary, oppressive, and powerful nation, they have taken advantage of the weak and the unarmed....

Exactly 128 days have passed since, by mistake, they destroyed a considerable part of El Chorrillo, Rio Hato, Arraijan, La Chorrera, and Vacamonte; as well as airports and other sites, barracks, and even private buildings in Panama City and Colon....

What kind of "crap," crud, or other garbage do the gringos have in their heads?

Do they think we are the dumbest people in the world?

I would like to tell the U.S. "Democrats" and "Republicans" that they should be thinking very hard about what they are doing, will do, or will stop doing here in Panama beginning in May....

Either they start giving us fair compensation for the transgressions against our country, or soon they will find out that there will be more than 1 million men and women becoming mortal enemies of their sunken states!

Just as I had forecast, the rainy season began on 25 April, and the weeping May moon is coming with the "millions" of hopes that have disappeared from the scene in this wounded fatherland. Resentful feelings are beating in the hearts of those of us who have always fought for justice.

May the heavens duly judge the robbers of our rights and the evil looters of our natural resources.

Let them...Go to hell!!! [five preceding words in English]

Article Blames U.S., Leaders for Problems

PA3004045090 Panama City LA PRENSA in Spanish 25 Apr 90 p 23-A

[Article by Alberto B. Conte: "Alms and Shotguns"]

[Text] Since the United States began to apply economic sanctions allegedly against Noriega, but which seriously affected Panama, I have been upset. I discussed the matter, first in Panama and then in exile, with U.S. State Department officials, whom I asked to find another way which would not harm the Panamanian people as much. To no avail. Later, I became convinced that in international relations the United States usually kills a number of birds with one stone.

Although the tyranny in Panama did not come to an end with the sanctions but through a crushing military action, our country all the same was left bankrupt, kneeling, and with an extended hand asking for monetary "help" to recover from 21 years of a dictatorship sponsored by the United States and two years of economic chastisement, in addition to an unnecessary and terrible military destruction.

Early in 1988, the Civic Crusade organized the trip of an economic team that would determine how much money our country needed to reactivate its economy, deteriorated by the voracity of the military personnel in the government. The team came up with $1.5 billion. This figure took into consideration the need for a $500 million safety net for the banks to face the stampede that would take place once the restrictions on savings accounts were lifted. The next important figure was $750 million, which would be earmarked to reactivate the construction industry and turn it into an immediate source of jobs.

But nothing happened. All negotiations were fruitless. Nevertheless, two years after the unfair U.S. Government sanctions and a military invasion, Mr. Bush said that the damage inflicted on Panama amounted to $1 billion, more or less, and that he would request "aid" from Congress to restore democracy in Panama. We have already seen this figure lowered and even considered as payable in kind. The cash portion of this aid, however, is a trifle amounting to less than $50 million.

I have observed with sadness our leaders' stand in this situation. Overlooking the fact that the invading power is fully to blame for the damage our country sustained, these leaders, looking up from their knees, either thank the U.S. President for his "generosity" or tell the international public about the urgency to receive the amounts promised. At no time, however, have these leaders included worthy or vigorous negotiations with the Yankee government in their demands or gone to international forums to demand just reparations. This stand seems to indicate the leaders' fear of losing the political support that they allegedly receive from these international forums.

If we add a number of other iniquities to the already known price of the sanctions and the military invasion, we can understand that behind those actions (which kill the other birds) the purpose is to make our people feel our need in such a way that the United States will be able to demand anything from us and profit from this. This profit ranges from supporting a weak government to renegotiating the treaties according to its fancy and not for our good, as it should be. Let us examine other injustices.

(a) The December looting. In the absence of a police force, which the United States destroyed, it was up to the occupation forces, according to the war treaties, to protect the invaded country. But they never deployed a force of military policemen, never took any action or fired a shot against the looting mob. Of course, they did not want other nations to accuse them of "massacring

the Panamanian people." This let-do policy cost Panama more than $600 million in additional losses.

(b) The Public Force. If the occupation forces had provided effective police protection, our country could have formed a new public force without using Noriega's officers, whose defects and shortcomings are becoming evident every day. I am sure, however, that the U.S.' haste to avoid being the focus of world criticism caused our government to hurriedly reorganize the destroyed Defense Forces, changing the color of the men's uniforms but never their minds and morals. If we had started reorganizing the day after the destruction of these forces, today, four months later, we could have had a police force as we, the Panamanians who want democracy, desire.

(c) Justice. Undoubtedly, the Panamanian people are suffering a period of disillusionment and disappointment regarding this subject. All of us thought that in due time a legal effort would be made to punish all those proven to have perpetrated crimes. We thought that abuses, embezzlement, human-rights violations, and other crimes would be processed in courts. No accused has yet been tried but, in the fight for political space the prosecutor, a courageous and determined official, is still questioned because politicians think that he has not been persecuted enough in efforts to make up for the common crime of having worked for a past government. All of this is in addition to the lack of assistance available to honest citizens in obtaining jobs, citizens who risked their personal safety to reject and topple the tyranny. Meanwhile, those who up to the last possible moment hailed the tyrant and helped him remain in power are still enjoying government posts.

(d) The rejection by Latin American countries. It is true that the Group of Eight [words indistinct] countries lack the moral authority to criticize our government and even more to question this government's legality. All of these OAS countries failed miserably in accomplishing their goal of saving regional democracy. In addition, our government, with its weak position regarding the United States, has not helped to eliminate support of the hypocritical stands of those presidents embittered by their domestic problems and shortcomings. As a result, we have been left alone, at the mercy of the one government interested in "helping us," the United States.

I could go on listing other misfortunes born of that U.S. habit of using its strength to increase other people's weakness so that they can be manipulated. I would like to believe that President Bush's political faction is willing to cooperate and that the retrograde forces of the Democratic Party are more interested in their political actions that in the fate of a country [sentence as published]. But I fail to see better intentions in the Republican Party and I know I will not see these intentions as long as our political leaders refrain from demanding, with energy and integrity, the reparations we are entitled to.

In addition, we cannot agree with our people being told that all of our woes will be gone when the promised "aid" arrives. We should leave this to the foreign minister to handle and devote our best efforts to uplifting our country.

The shotguns have already done their damage. It will not be alms that will restore our prosperity and dignity. The best assistance we can give Panama will be to renew the people's commitment to striving for our future without relying on traditional politicians.

Government Approves New Chilean Ambassador

PA2704230190 Panama City Telemetro Television in Spanish 2300 GMT 26 Apr 90

[Text] Newly appointed Chilean Ambassador to Panama Wilma Saavedra has said that her appointment to that diplomatic mission shows confidence in Chilean women. She added that she is proud of having that responsibility.

The Chilean Government, headed by Christian Democrat Patricio Aylwin, announced today that the Panamanian and Philippine Governments have given their approval to the Chilean ambassadors recently appointed to those countries. Concerning her mission in Panama, Saavedra said that her work will be conducted within the framework of the Chilean Government's international policy, the main objective of which is Chile's reincorporation into the community of civilized nations.

Ambassador Saavedra said that she will travel to Panama within the next few days.

Assembly Approves $2 Billion Budget for 1990

PA2704224690 Panama City EL PANAMA AMERICA in Spanish 26 Apr 90 p 1

[Text] The Legislative Assembly on 25 April approved the National Budget of $2.07 billion. The opposition Democratic Revolutionary Party rejected the budget claiming that it is unconstitutional and that it toadies to IMF policy.

This is the second law approved by the present assembly. According to the assembly majority, the budget will be faced with "limited revenue regarding the country's needs." However, the opposition claimed that the estimated income has been "greatly inflated."

Legislator Elias Castillo said that the budget represents a 10-percent decrease in the government payroll, which would amount to laying off 18,000 employees. They would be paid for only two months of their accrued vacations. MOLIRENA [National Liberal Republican Movement] Legislator Arturo Vallarino countered that it seems that the PRD "is upset" because the budget provides for paying that amount to all dismissed employees, including the 10,000 laid off by the Noriega regime in 1989.

The 1990 budget is the first approved by the assembly in the last three years. It calls for $528 million in foreign debt payments, and $908.3 million for the government payroll, which represents 46 percent of all expenses. Expected income is 32 percent less than in 1986 and 1987.

According to the government majority, the budget advocates "conditions for economic reactivation that will offset any signs of recession in the national economy." The revenue estimates are based on sound internal revenue policy, control of contraband, stable duties and taxes, and seven percent economic growth.

The budget also abides by the constitutional mandate that two percent of the budget be allotted to the functioning of the Judicial Branch and the Attorney General's Office.

Endara Sanctions Budget Law

PA2704231090 Panama City Telemetro Television in Spanish 2300 GMT 26 Apr 90

[Text] President Guillermo Endara Galimany today sanctioned the nation's budget approved last night by the Legislative Assembly.

The document, which is the second law approved by the parliament, includes income and expenses totaling $2.07 billion for fiscal year 1990. It is the first budget approved by the parliament in the past three years.

Budgeted expenses include $528 million for foreign debt payments and a payroll of $908.3 million, which represents 46 percent of total expenses. After signing the budget, President Endara expressed his satisfaction with the congressional approval. Legislative Assembly President [Carlos Arellano Lennox] outlined some aspects of the document signed.

[Begin recording] [Endara] That is precisely what the people expect from you. Your handling of the budget has been very effective, without wasting time or making a fuss over it. I believe that after three years without a budget, the republic now has a balanced and austere budget that can be the basis for our national reconstruction and the economic development we all want for the benefit of all Panamanians.

[Arellano Lennox] This is a realistic budget. It is not a perfect document, but it responds to most of the needs of the Panamanian people. Above all, investments especially emphasize specific areas, such as health and education, and give preferential attention to community development.

We must also stress that, as you said, it is a balanced budget, and above all, realistic. It is a budget that reflects the country's income irrespective of any foreign aid we may receive. Therefore, it is not conditioned to the fact that we may or may not receive aid from any particular country. [end recording]

Legislators Propose Creation of Resort on Coiba

PA2704215690 Panama City LA PRENSA in Spanish 25 Apr 90 p 12A

[Article by Olmedo Carrasquilla]

[Text] Veraguas Province—Legislators Vicente Caballero and Carlos Carrizo, together with a group of businessmen, the Inrenare [Institute of Renewable Natural Resources], and members of ANCON [National Association for the Conservation of Nature], have agreed to turn the prison island of Coiba, in the future, into an international ecological-tourism resort.

Legislator Carrizo noted that Coiba can become a tourist area provided the Ancon Foundation and Inrenare are willing to designate protection for the island. Moreover, the island has great potential for developing tourism activities, such as its hot springs, beautiful landscape, variety of flora and fauna, and sport fishing. Thus, entrepreneurs must increase and develop business activities like tourism that will bring foreign currency to Panama.

Legislator Carrizo concluded that Coiba could become the best tourist resort and the best investment we could bring to the Province of Veraguas in the short term.

Meanwhile, an Inrenare official made it very clear that the institution does not have sufficient economic means to face existing problems in Veraguas, such as tree cutting. The official said that they have only one vehicle to cover the entire area of Veraguas Province from north to south, although he expressed the institution's willingness to work for the well-being of the people.

Brazil

Rezek Comments on U.S. Trip, Meeting With Baker

PY2704153490 Brasilia Radio Nacionalda Amazonia Network in Portuguese 1000 GMT 27 Apr 90

[Text] Foreign Minister Francisco Rezek will go to Washington only after Economy Minister Zelia Cardoso de Mello travels to Washington on 2 May to discuss the foreign debt issue.

Rezek will go to the United States to meet with U.S. Secretary of State James Baker. Rezek hopes that his meeting with Baker will result in the establishment of strong and fruitful ties that will impede eventual misunderstandings. Rezek asserted there is no fixed agenda of the issues to be discussed during his meeting with Baker.

[Begin Rezek recording] There is no fixed agenda. Our main goal is to establish proper communication channels. We seek to avoid eventual misunderstandings that may result because of a lack of direct communication channels.

We particularly want to prevent the development of small incidents that may occur due to a lack of the direct dialogue resulting from this meeting. Of course, this direct contact has already been established at the presidential level. But it also would be good to establish direct contact at the Foreign Ministry level. [end recording]

Although there is no fixed agenda, Foreign Minister Rezek did admit that during the meeting with James Baker they will discuss President George Bush's trip to Brazil, which is scheduled for September, and the trip that Carla Hills, White House trade adviser, will make to Brazil in June.

Secretary Denies Plans To Build Atomic Bomb

PY2804161490 Madrid EFE in Spanish 2046 GMT 27 Apr 90

[Text] Brasilia, 27 Apr (EFE)—The newspaper GAZETA MERCANTIL today reported that physicist Jose Goldenberg, the Brazilian secretary of science and technology, has said that in a few years Brazil will have the capacity to build an atomic bomb. He added, however, that there is no chance that Brazil will build such a bomb.

In an interview granted to the newspaper and broadcast by the Brasilia TV Nacional television station, Goldenberg said last night that Brazil's capacity to build an atomic bomb "is an inevitable consequence of the country's nuclear development." However, he went on: "The Constitution prohibits Brazil from doing that. All the authorities, including the military ministers, have said that Brazil will not do it."

Goldenberg noted that the resolution to avoid the use of nuclear energy for military purposes is "a very serious commitment for the nation," and he added that the Brazilian delegations to all international forums have maintained this position.

Goldenberg believes that Brazil can give a definitive indication of its plans in the nuclear sector, to disprove international press reports that the Brazilian nuclear program plans to build an atomic bomb. "This final indication can only be given through internal control measures. A congressional committee could be the perfect mechanism," he said, adding that he believes that the National Nuclear Energy Commission may also do the job.

Goldenberg ruled out Brazil agreeing to international supervision, because "international supervision mechanisms involve a diplomatic problem. The tranquillity of the Brazilian people is more important than the tranquillity of the great powers."

A commission of INPE (National Institute of Space Research) engineers and researchers will meet with Goldenberg today to ask him for the demilitarization of the Brazilian nuclear program and for the use of foreign rockets for launching Brazilian satellites.

The delay in the construction of the Brazilian launching rocket, which the Aerospace Technology Center (CTA) of the Ministry of Aeronautics expects to be ready between 1993 and 1995, has delayed the launching of Brazilian satellites, the first of which was to have been launched in 1989. The INPE technicians claim that the links with the CTA has generated international distrust toward the Brazilian space program, because space agencies and foreign governments see the Brazilian launching rocket project as the first part of a program toward building a military missile.

$15-Billion Savings on Internal Debt Expected

PY2804144890 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 28 Apr 90

[Text] The government will save more than $15 billion in payments on its internal debt this year.

The National Treasury Department estimates that this year the government will spend an amount equivalent to less than one percent of the GNP for rescheduling its internal debt. Before the implementation of the New Brazil Plan, the government was expected to spend an amount equivalent to four or five percent of the GNP; that is, some $18 billion. As a result of the plan, the treasury will save some $15 billion.

This reduction is a consequence of the modification of the debt rescheduling terms from one day to 29 months on the overnight market. In fact, the government froze funds at the Central Bank for 18 months and imposed an additional 12-month period of limited monthly withdrawals.

Another factor that has reduced the government's obligation is the suspension of the six-percent annual interest paid on the funds that were blocked at the Central Bank. The new cruzados that are blocked at the Central Bank will be exchanged for a special series of national treasury bonds. Those bonds have been authorized by a resolution by Economy Minister Zelia Cardoso de Mello.

National Treasury Department Director Roberto Guimaraes has said that the special accounting-book-entry [escritural] bonds may be redeemed in 30 months. Guimaraes added that the government does not want to issue bonds to finance deficits this year. The target is to reach the end of the year with an operational surplus of two percent of the GNP.

Government To Dissolve 10 Public Enterprises

PY2804015890 Brasilia Domestic Service in Portuguese 2200 GMT 27 Apr 90

[Text] President Fernando Collor has signed a decree, ordering the dissolution of 10 public enterprises: the BNCC [National Cooperative Credit Bank], Portobras [Brazilian Ports Enterprise], the Brazilian Electric Power Enterprises Assistance Corporation [Companhia Auxiliar de Empresas Eletricas Brasileiras], Interbras [Petrobras International Trade, Inc.], (?Centromisa), Siderbras [Brazilian Iron and Steel, Inc.], Embrafilme [Brazilian Film Company], the Brazilian Infrastructure Company [Companhia Brasileira de Infraestrutura], Embrater [Brazilian Rural Extension and Technical Assistance Enterprise], and the EBTU [Brazilian Urban Transportation Company].

President Fernando Collor ordered the dissolution of these public enterprises, based on Law 8629 as a result of the approval of Provisional Measure 151 by the National Congress.

Chile

Minister Says Congress Cannot Remove Pinochet

PY2604205890 Santiago Radio Chilena Network in Spanish 1700 GMT 26 Apr 90

[Text] Defense Minister Patricio Rojas said that there is no chance that Congress will discuss General Augusto Pinochet's permanence as commander in chief of the Army.

[Begin recording] [Rojas] Such a possibility is not feasible because the Constitution is quite clear. The commanders in chief of the Armed Forces cannot be removed. According to the Constitution, they can only be dismissed by a decision of the National Security Council.

[Reporter] Does this mean that it is quite unlikely it will happen?

[Rojas] There is no chance it will happen. [end recording]

Minister Rojas made this statement at the end of a ceremony during which Carabineros paid homage to officers killed in the line of duty. The ceremony took place at the foot of the monument to the Carabinero martyrs at San Borjas Plaza, next to the Crown Plaza Hotel.

Minister Rojas, however, refrained from commenting on the atmosphere in the national defense institutions following the recent creation of the Commission for Truth and Reconciliation. Neither did he comment on the eventual unrest that the work of the commission may prompt. Despite the fact that the journalists insisted on the issue, Minister Rojas just said that he had already voiced his opinion on the issue during a meeting with the media yesterday.

RN Criticizes New Human Rights Commission

PY2704031690 Santiago Domestic Service in Spanish 2300 GMT 26 Apr 90

[Excerpt] The National Renewal [RN] Political Commission has stated that the Commission for Truth and Reconciliation recently created by the government will not fulfill the nation's hope for the true reconciliation of all Chileans.

In a public declaration the RN states that since its creation it has always actively sought a broad and definite solution to problems stemming from political violence and the violation of human rights, because it believes that Chile must achieve true national reconciliation.

[Begin RN Secretary General Andres Allamand recording] We believe that the terms of the government decree creating a national Commission for Truth and Reconciliation will not fulfill the nation's hope for a true and definite national reconciliation. On the contrary, some of its points—of doubtful legality—might exacerbate conflicts and revive a climate of violence and confrontation, which might become the greatest obstacle to the very goals established in the decree. [end recording]

Andres Allamand said that the main objective of the decree is to reveal the truth about the most atrocious cases of human rights violations, and he added that the truth cannot be found outside a historic context that must be evaluated against the origin of the political violence that has affected Chile since the 1960's.

Allamand said that the RN rejects the obvious political intention implied by the period of time that the commission may cover in its report and which is arbitrarily restricted to events that took place after 11 September 1973. It is thus sought to ignore the very serious acts of political violence and the violation of human rights that took place before then. [passage omitted]

Criticizes Interior Minister

PY2804033290 Santiago Domestic Service in Spanish 2300 GMT 27 Apr 90

[Excerpt] Andres Allamand has rejected Interior Minister Enrique Krauss' comments that the RN's criticisms of the period to be investigated by the National Commission for Truth and Reconciliation created by the government is an escape from reality.

Allamand said that it is not an escape from reality to demand the consideration of all the events that lead to the political violence and human rights violations in Chile. He added that it would be an escape from reality

to try to prevent people from learning the basic aspects of an historic truth as a way to hide the responsibilities of current government supporters.

Allamand added that to say that the problem of violence and human rights violations in Chile began on 11 September 1973, and that the state of law prevailed on that date, are a historic lie. Allamand said that Minister Krauss should remember that Krauss himself was the carrier of an historic letter from former President Frei which refers to events that occurred before 1973 over which no smoke screen can be set to distort the truth. [passage omitted]

Army Studies New Commission

PY2804022290 Santiago Domestic Service in Spanish 2300 GMT 27 Apr 90

[Text] Lieutenant General Jorge Lucar, Army deputy commander, said today that the Army is evaluating the range of the National Commission for Truth and Reconciliation created a few days ago by the government.

Gen. Lucar refused to comment on the commission but admitted that this issue was discussed during the meeting held by Army generals with Army Chief Augusto Pinochet yesterday. He also expressed the Army's apprehension regarding the results of the investigation of human rights violations from 11 September 1973 to 11 March 1990 to be carried out by the commission.

Gen. Lucar said that the Army is willing to cooperate and clarify any event within the framework of respect for the Constitution and current laws. He also said that he does not know the reason for the meeting requested by Army Chief Augusto Pinochet with President Patricio Aylwin.

Bishops Optimistic

PY2804203290 Santiago Domestic Service in Spanish 1700 GMT 28 Apr 90

[Excerpts] Chairman of the Episcopal Conference Bishop Carlos Gonzalez, has stated that Chilean bishops, in general, view with optimism the establishment of the Commission for Truth and Reconciliation. He added that the bishops have not yet issued an official statement because this is something very new, but that in general the bishops are enthusiastic and hope that this initiative will become an instrument useful for reconciliation.

Regarding the period for the investigation of human rights violations, Gonzalez said that it is very difficult to set a deadline. He added that it has always been a practice in the country that the new government judges the previous one. [passage omitted]

Asked about the reopening in Chile of the case of counterfeit passports linked to the murder of former Foreign Minister Orlando Letelier, the bishop expressed his satisfaction because the objective is to uncover the truth, he said. He added that at least in some cases the truth must be established in the country, because it will create confidence, credibility, and a different environment. [passage omitted]

Finance Minister Addresses Nation on Economy

PY2704152490 Santiago Television Nacionalde Chile Network in Spanish 0130 GMT 27 Apr 90

[Speech to the nation by Finance Minister Alejandro Foxley Rioseco in Santiago 26 April—recorded]

[Text] Good evening. On instructions from President Patricio Aylwin today we explained the country's economic situation to Congress. The president asked us to share aspects of our evaluation with you tonight.

We are experiencing an exceptionally historic situation in Chile. All Chileans are contributing toward a new experience of social peace, mutual respect with a constructive spirit, and optimism. Those who predicted a collapse of the economy as a result of the government change have really witnessed a process which has been characterized by the vigor of private economic activity.

Investment projects are being developed every day. Stock and exchange market indicators reflect confidence in the future. Foreign investment has increased instead of decreased. In the last six weeks economic discussions have focused on the tax issue. Why the urgency in drafting this law? We are convinced that this country now has an opportunity to demonstrate that economic growth and social development are possible under a democracy, that it is possible to mantain a low inflation rate while increasing opportunities for employment and investment, and that this can be done in an environment of full freedom without eliminating or repressing the rights of people.

It is no mystery to anyone that the Chilean economy is in better condition than other neighboring countries. Neither is any one unaware that the recovery of our economy was achieved by seriously disregarding the social situation. The question we should ask is how do countries develop, and which countries achieve greater economic success now that we are getting close to the 21st century. Current experience shows that without a high degree of social coherence and without an environment of cooperation and agreement, economic progress cannot be maintained. Furthermore, in order to develop an economy it is not necessary to invest in machinery and new equipment. The economies that become more modern are those which make strong investments in people.

How can a country make things better than other countries? It does so by looking for the support of the effort, talent, and good ideas of thousands of businessmen, engineers, professionals, and workers who are motivated to do things well. Those who do not have a stable job in accordance with their professional qualifications or skill are not motivated. People who are not well fed, who have no hope of living in a decent house, educating their children, or having access to a good health system can

not be asked to put forth extra effort. Investing in people really means increasing growth potential and innovating an economy which is trying to become more modern. Investing in health, education, and training for youth means insuring greater future productivity. This is the way to set the basis for the creation of new jobs, to export more and better products, and to do things better than others in today's world.

It is also necessary to invest in people for ethical reasons. It is not possible to have social cohesion without solidarity. Only when the people who have more wealth are willing to contribute to the progress of others can cooperation become stronger than conflict as the impetus for developing a society.

Resources are necessary to invest in people. The experience of neighboring countries demonstrates that spending on the individual without adequate financing inevitably leads to hyperinflation, a chronic lack of stability, and collective poverty.

Populism has become bankrupt in Latin America. We are convinved that we must invest more in the individual and, thereby, do away with a 16-year deficit. But for this to be long-lasting, we must have the resources before we start to spend them.

We believe that the country has understood this. The majority of political parties and social and labor organizations have understood this. Therefore, in the next few weeks Congress will probably approve the tax law that we need to face the social effort.

Once tax reform has been approved, we will send a bill to Congress to supplement the budget with the new resources that we will have at that time.

Moreover, considering the continuing public debate on this topic, and without detriment to more details that will be included in the supplementary budget bill, President Aylwin has felt that it is appropriate for us to inform the country tonight of this year's budget situation.

Some of you will recall that when the previous government made known the 1990 budget, we pointed out that this budget was too small. On that occasion it was noted that the budget was deficient and insufficient. The budget was drafted on the basis of a 12-percent inflation rate for 1990. In light of this, the readjustment of pensions and school subsidies was not contemplated when inflation reaches 15 percent.

Last year's inflation and the inflationary trend during the last few months of the previous government today make it unthinkable that inflation will remain under 15 percent for 1990. Therefore, we will have to readjust pensions and school subsidies.

It is true, that if the overall budget is taken into account—income and expenditure with a more realistic hypothesis regarding inflation—we conclude that more funds are needed than those contemplated in the budget to cover the total of the expenditures we have outlined.

On the other hand, the budget this government has inherited is seriously insufficient in another aspect. In effect, when the tax income for 1990 was calculated the tax collection for 1990 was over-estimated. This occurred because in January 1989 the previous government reduced the taxes on enterprises, and it changed the rules for calculating this tax.

The negative impact of this reduction of the tax on enterprises on tax income is substantially greater than projected by the previous government.

The negative impact on tax income of a legal regulation of January 1990 is also not considered in the budget. This regulation allows enterprises to discount in 1990 tax payments that normally could only have been discounted in April 1991.

Making all the necessary corrections to what we have outlined, we come to the conclusion that the actual 1990 budget will have $380 million less than projected in the budget drafted by the previous government.

If this same situation is examined when related to expenditure we also have an insufficient provison of funds. The budget for the Senate and the Chamber of Deputies is inadequate and also for the completion of the Congress building. Neither does the budget provide for the operation of public positions previously held by Armed Forces personnel who have now returned to their normal activities.

No funds are contemplated for the indemnization of personnel who had the exclusive confidence of the previous government, and indemnization that has to be paid if they submit their resignations.

On the other hand, the critical situations that have been inherited by enterprises such as Television Nacional and the railroads is well known. These examples could be multiplied.

Fortunately, this year's copper prices are higher than the 83 cents that was used when the budget was drafted. This higher copper price will mean that we will have additional fiscal income of approximately $170 million.

Moreover, these resources will cover less than half the resources that are needed to achieve the government's priority objective of maintaining a balanced budget.

On the other hand, on submitting its tax reform bill, the government maintains that the resources that the bill will generate to be used on a priority basis for the social sector: in other words, to invest in the individual. Today this commitment is reaffirmed.

The tax reform will allow us to collect approximately $350 million this year. Because of the situation we have inherited, part of these resources will be used to maintain the financing of programs such as the readjustment of pensions and school subsidies that are contemplated in the laws, and the real level of expenditure in housing, food for schools, and other basic social programs.

The rest of the resources that come from the reform will be used to improve family allowances and mimimum pensions above 15 percent in accordance with the law and to reinforce investement in the health, education, and housing sectors to which the government is committed.

These social programs will be supplemented with income from the solidarity fund, which will channel to the appropriate ministries the funds that the planning office obtained from international cooperation sources.

However, we must be very clear. For the above reasons, the 1990 budget will be very tight. Therefore, the efforts aimed at favoring social sectors will necessarily be gradual, in order to prevent inflation from invalidating the positive effect of social policies.

In this regard, it is evident that the tax reform calls for rapid approval. This situation has also compelled us to adopt a rigorous attitude of austerity and moderation in the public sector.

Just as we clearly and firmly admit that it will be impossible to attend to some social needs this year, we say as clearly and as firmly that we will have to exercise strict control on spending—particularly public spending.

Not all the requirements for modernization of the public sector will be financed this year. Many valuable ideas and initiatives will have to be postponed.

The government has clear priority targets. The efforts to favor the social sector come first. These efforts, however, should not increase inflation. The president and the entire Cabinet support this policy of austerity for the public sector, which we will rigorously enforce.

Inflation is the worst enemy of economic growth and social progress. In countries with a high inflation rate, workers lose every day. In countries with hyperinflation, the purchasing power of salaries may drop by as much as 40 percent.

Runaway inflation makes products disappear from grocery stores and supermarkets, while people wait in lines to buy basic staples. A high inflation rate compels families to live the routine anxiety of the permanent, swift increase of prices. Runaway inflation damages the people's morale, promotes conflicts and strikes, and disrupts social peace. This is why the government has committed its efforts to keeping inflation at a low level.

Over the past 12 months, the consumer price index has grown by 24 percent. Though high, this percentage is not higher than the average inflation in the last 10 years of the military government. This percentage is also equivalent to the inflation rate in the Chilean economy in the 1960's, under the Frei and Alessandri administrations.

Yet the people have been correctly concerned about the fact that the inflation rate growth had accelerated since the beginning of 1989, reaching an annual growth rate of 30 percent during the last months of the previous government.

This inflationary acceleration was caused by the strongly expansive monetary and fiscal policies that the previous government enforced in 1988. The inflation rate growth is the price that we are still paying for such policies.

Before the inauguration of this government, the Central Bank implemented an adjustment policy to reduce inflation. This policy has caused a significant increase in interest rates. Businessmen, banks, and debtors in general have been concerned about this increase.

Even though we understand their concern, today we would like to reiterate that it is necessary to implement an adjustment policy, in the wake of the high inflation rate.

The Central Bank and the government are both responsible for effectively reducing inflation. Therefore, we want to reiterate that the policy of economic adjustment will continue for as long as necessary. It is not a temporary measure.

On the other hand, the adjustment of the economy is under way. Economic indicators and the balance of payments reflect growth rates that can be maintained without additional inflationary pressure. This positive process, however, should be completed.

If necessary, and despite the tight budgetary situation, the government will adopt the fiscal measures called for by this adjustment process.

In sum, the prospects of a lower inflation rate in the next few months are promising. At this moment we must continue to make adjustments to avoid any setback in the progress made so far. In addition to curbing the inflation rate, what is necessary for our economy to become stable over the long term? We believe that problems affecting relations in the labor sector must be adequately solved. Every successful modern economy has been able to settle this issue in a positive manner. Now, more then ever, the increasing production and productivity of the enterprises are based on the creative contribution of a motivated work force that truly feels like part of the enterprise, that works with a team spirit, and whose rights are fully respected.

These issues must be discussed and hopefully resolved by consensus. This is why in his speech at the National Stadium, President Aylwin ordered the finance, economy, and labor ministers to initiate a dialogue with the CUT [United Labor Federation] and the Production and Trade Confederation in an attempt to resolve these issues.

We have worked hard these past weeks in an attempt to reach this agreeement. It has not been an easy process. There are no precedents for this in our country. Until recently labor union-management relations were strongly antagonistic. Nowadays, differences have shrunk significantly. The government believes that an agreement with workers and businessmen, which also entails an agreement between the workers and the businessmen themselves, would represent a great step toward uniting the Chilean people, as well as consolidating social peace and the stability of the Chilean economy.

In making an appeal and entrusting us with this task, President Aylwin also interpreted the deep-rooted desire of the Chilean people for such understanding. Tonight, on behalf of the Chilean Government, I appeal to the CUT and the Production and Trade Confederation to contribute to the signing of the previously mentioned agreement in the next few days. We are certain that the entire country will support the agreement should it be reached.

We are certain that an agreement of this nature will represent the initial step on a new path of cooperation between workers and businessmen in Chile.

What can we expect in the economic field in the next four years if we are able to reach this agreement? We are convinced that the necessary conditions for this economy to project itself toward the 21st century can be created. It is quite likely that this economy will continue to modernize itself and fully integrate itself into the world markets over the coming years. We can also distribute the results of the economic progress among more and more Chileans every day. For this we must continue to promote exports. We must tighten our international economic and financial relations.

During my recent participation in the IDB governors' meeting in Montreal, I was gratified by the frankly favorable attitude toward our country, the positive assessment of Chilean economy, and the desire to actively help the Chilean democratic government. We are not going to miss any opportunity. In the next few weeks we are going to start official talks with the Chilean creditor banks in order to renegotiate our foreign debt. We have already made significant progress in drawing up programs for foreign aid with the IDB and the World Bank for a three-year period. These organizations have shown an extraordinarily receptive attitude in supporting our efforts to encourage investment in the productive sector and, especially, in the social sector.

Chile currently has an important package of investment projects, and if they materialize they will create thousands of new job opportunities. The materialization of these projects will require the development of creative domestic and foreign investment plans. Chile will be a good market for national and foreign private investment. We believe that the next phase of the Chilean economy is the investment and growth phase.

Therefore, we have to organize ourselves to create the stable, good jobs that the people need.

Chile is in the right spiritual mood for this task: We have projects, our private sector is efficient and innovative, our work force is highly qualified, we have plenty of natural resources, and our public institutions are efficient. In addition, we have international support.

In view of all this, we can optimistically say that our economy can grow at a higher rate than in the past. Our economy can export more products and better products. Today the Chilean economy can more efficiently integrate itself into the world econom,.

We can find a place with more prospects in Latin America. We are convinced that over the next few years, Chile can give more well-being to its people and can improve the distribution of the fruits of economic development.

It will not be easy to attain these objectives. They must be attained gradually.

This year will be a test, perhaps the most difficult test. Public funds will be particularly scarce, and social demands will only be met in a very gradual manner. We have to decelerate inflation.

However, you can rest assured that the economy will be conducted as firmly, calmly, and prudently as necessary to attain our objectives.

We have a major advantage. After a long period of conflict and division, today all Chileans want to preserve peace, strengthen cooperation, and find a task that can unite us. This task can be the construction of an active, just economy for the 21st century.

Each of you and each of us should do his share.

Carabineros Leader Says Courts Must Decide Guilt

PY2804182890 Santiago Domestic Service in Spanish 1100 GMT 28 Apr 90

[Text] In a speech at the Carabineros School, Carabineros Deputy Director General Gabriel Ormeno Melet has stated that they will not accept trials against Carabineros officers, unless their guilt is established in court. Ormeno was the only speaker at the ceremony to mark the anniversary of Carabineros School.

[Begin Ormeno recording] We are deeply moved when a carabinero violates the code of ethics. However, we defend and will defend any carabinero, no matter his rank, who is charged without sufficient evidence. We are very demanding of ourselves, because we can not allow any criminal activity within our organization. We will be the most severe judges because our oath does not allow for excuses. Unless the guilt of a Carabineros officer is proven in court, we will defend the honor and the good name of any comrade in arms. [end recording]

Ormeno pointed out that the Carabineros are currently providing the professional police services which the people demand, despite a shortage of 20,000 men.

Argentine Official on Antidrug Cooperation

PY2704133890 Santiago Domestic Service in Spanish 1100 GMT 27 Apr 90

[Text] The deputy director of the Argentine Gendarmerie, who came to Chile to participate in ceremonies celebrating the Carabineros' 63th anniversary, paid a protocol visit to President Patricio Aylwin accompanied by Carabinero General Gabriel Ormeno.

The Argentine Gendarmerie official asserted that Argentina and Chile exchange intelligence information

regarding their struggle against drug trafficking in an attempt to safeguard the Southern Cone from becoming a corridor for basic ingredients used in drug production.

Minister Makes High-Level Contacts in Nicaragua

PY2704134690 Santiago Domestic Servicein Spanish 1100 GMT 27 Apr 90

[Text] Foreign Minister Enrique Silva Cimma met in Nicaragua with chiefs of states, foreign ministers, and other high-ranking foreign officials who attended the presidential inauguration.

This was disclosed by acting Foreign Minister Edmundo Vargas, who stated that international and Latin American issues were discussed during the various meetings held by Silva Cimma.

USSR Fishing Industry Official on Cooperation

PY2704151290 Santiago Domestic Service in Spanish 1100 GMT 27 Apr 90

[Text] Nikolay Lysenko, Soviet fishing industry deputy minister, has stated that a Soviet-Chilean cooperation plan in the fishing sector for the next few years is being analyzed. Lysenko said that the transference of technology and the use of Chilean maritime resources are the main objectives of the plan.

Lysenko said that in exchange for Soviet technical aid, Chilean authorities would allow Soviet vessels free access to Chilean ports. However, he noted that this does not mean that the Soviets may fish freely in Chilean waters.

[Begin Lysenko recording, in Russian with simultaneous Spanish translation] We want to be able to repair our vessels in Chile, change our crews, and obtain fuel, water, and other goods. We believe that, even without taking into account the possibility of exploiting maritime resources of the Chilean economic zone, the current cooperation is very advantegous for Chile. [end recording]

This statement was made by Nikolay Lysenko after meeting with Economy Minister Carlos Ominami and Chilean officials of the fishing sector.

When asked about the alleged illegal operation of Soviet fishing vessels off the Chilean coast, allegedly fishing without authorization, Lysenko said that his country has never sought to harm the maritime species of other countries. He added that the USSR wants to harvest what other countries are not able to fish, always on scientific bases and with the prior agreement of the appropriate authorities.

Prison Inmates Stage 'Indefinite' Hunger Strikes

PY2804152490 Santiago Domestic Service in Spanish 1100 GMT 28 Apr 90

[Text] Nearly all inmates of a prison in Temuco have begun an indefinite hunger strike. Six inmates who were prosecuted by the military courts and those who are over 60 years of age have not joined the hunger strike.

The inmates are staging the hunger strike due to what they see as a lack of clarity in the benefits granted by the pardon law currently under consideration by Congress. The inmates are demanding that repeat offenders and those condemned to life imprisonment benefit from the general law on pardon. They demand that the situation of those inmates who are seriously ill and those who are over 60 years old be considered. They are also requesting better health and food care, and better physical conditions, taking into account that the prison currently houses 730 inmates. They are also demanding some benefits that the law grants to those inmates who have served more than 50 percent of their prison terms.

This information was released by (Rene Facirio), Justice Ministry secretary of the 9th Region. (Facirio) met with the prison security chief, Abelardo Villablanca, who told him that the situation was completely under control.

Common criminals at the prison in Valparaiso also began a hunger strike to demand that the scope of the law on pardon be broadened and that legal procedures be handled more expeditiously. This information was confirmed by the Regional Gendarmerie Directorate in a press communique, which added that the inmates decided to use this method to convey to government officials and the Gendarmerie their uneasiness over the pardon law that is being considered and to make congressmen and people in general more aware of their situation. They are also seeking to broaden the scope of the law on pardon.

It was reported that the situation in the prison is normal and that there has not been any disorder or demonstration.

More than 100 of the 613 inmates of the prison located on (Teja) Island in the 10th Region have decided to end their hunger strike that they began on 25 April. They demanded a pardon for all inmates, including repeat offenders, or that their terms at least be reduced. To meet this objective they requested the visit of some representative of the courts, of the bishop, or of the Human Rights Commission.

The situation forced the inmates to continue with the hunger strike, but older and ill people who expressed solidarity with the convicted criminals were allowed to quit the hunger strike.

No official has so far visited the prison. The effects of this hunger strike have begun, as some inmates are already vomiting. The health unit is providing medical assistance to the 500 inmates who continue with the indefinite hunger strike.

Colombia

'Extraditable' Communique Denies Pizarro Murder

PA2704182090 Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 27 Apr 90

[Text] Here is some last-minute news: The media have just received a communique from the so-called Extraditables, who belong to the Medellin Cartel. Among other things, they say that they reject the murder of Pizarro Leongomez and that they did not murder him, because he was an enemy of extraditions and they would not strike against those who side with them.

They also rejected attacks on Medellin Archbishop Cardinal Alfonso Lopez Trujillo. They say that, despite everything else, they are believers and would not attack the authority of the church.

Navarro Wolff Named M-19 Presidential Candidate

PA2804204690 Madrid EFE in Spanish 2015 GMT 28 Apr 90

[Text] Bogota, 29 Apr (EFE)—Antonio Navarro Wolff, who had been the number-two man in the 19 April Movement (M-19), was nominated today as the party's new presidential candidate to replace Carlos Pizarro Leongomez, who was murdered on 26 April.

Navarro Wolff, who is a former guerrilla like the slain leader, received the nomination when Pizarro's funeral procession stopped at the home of liberator Simon Bolivar in Bogota.

In a speech made to the thousands attending the funeral, Navarro accepted the nomination and said that he was picking up the banners of the slain leftist leader.

M-19 To Continue 'Struggle for Peace'

PA2904144090 Bogota Radio Cadena Nacional in Spanish 1216 GMT 29 Apr 90

[Text] Bogota—Following the funeral of M-19 President Carlos Pizarro Leongomez, the group's new presidential candidate Antonio Navarro Wolff said that his group will continue the struggle for peace. The M-19, the organization that signed a peace agreement with President Virgilio Barco's government on 8 March and laid down its weapons on 9 March to become a political party, said that it will not pick up its weapons again as a result of the murder of the 39-year-old Pizarro. Pizarro was buried yesterday. Only 50 days after rejoining civilian life following more than 20 years of armed struggle, Pizarro became a symbol for peace, although, according to commentators, with his death his killers are attempting to destabilize the country.

When accepting the presidential nomination, Antonio Navarro Wolff, a 42-year-old engineer, former dean of a university, rebel, and the oldest of seven brothers and sisters, said that he was running for president for that Colombia which wants democracy and wishes to live in peace. The new M-19 presidential candidate was forced to speak and accept the nomination when Pizarro's funeral procession made a stop at the home of the liberator Simon Bolivar. He said that the Colombian people must unite to make harmony possible, and he urged everyone to contribute to a future of peace, a better future for coming generations. Speaking before Pizarro's casket, which was draped with the Colombian flag, Navarro, who in 1985 survived an attack during which he lost a leg, swore to fight for peace as Pizarro had done.

The thousands of persons who attended the 28 April funeral carried placards with slogans that read: Commander Pizarro, we continue forward, and Comrade Pizarro, we are for peace, we swear. Others who joined the thousands of voices asking Navarro to accept the presidential nomination broke the silence on several occasions to chant: Pizarro present, Navarro president.

Pizarro's mother Margot de Pizarro, along with his lady friend Laura, spoke at the gravesite and asked the crowd to fight for peace as he had always done.

At the cemetery the new presidential candidate again addressed the crowd, who had followed the more than seven-hour-long funeral procession from the cathedral to Simon Bolivar's home and then to the cemetery. He said: Together with all the good Colombians, we are going to change the course of history. He added that Pizarro's murder was useless because the M-19 will continue its struggle for peace.

Pizarro's funeral was held in Bogota. The authorities praised the fact that no incidents or public disorders developed during the funeral. The M-19 leaders had asked the people to remain calm.

The new Colombian presidential candidate is the sixth commander M-19 has had, the second since the rebel group entered its new phase to become a political party. Antonio Navarro Wolff will be running against 12 other candidates in the elections scheduled for 27 May.

Barco Addresses Nation on Candidate's Murder

PA2804042290 Bogota Inravision Television Cadena 1 in Spanish 0300 GMT 28 Apr 90

[Speech by President Virgilio Barco in Bogota; date not given—live or recorded]

[Text] Fellow countrymen: The murder of Carlos Pizarro sought both to disrupt the development of the electoral process, as well as to destroy the process of reconciliation that the government and M-19 [19 April Movement] had carefully built, surpassing numerous obstacles. It also seeks to weaken the state and make Colombians lose faith in democratic institutions. However, those who foment violence will not manage to weaken a strong democracy that is supported by all Colombians, or to destroy the path of peace that we have built after withstanding so many difficulties.

Two of these difficulties stem back more than five decades. The first difficulty was to build an atmosphere of peace in a country where the violence we have inherited flared up in the 1950's, and after having evolved, it has taken on different forms, such as narco-terrorism and bands of hired assassins encouraged by groups of the extreme right.

The second obstacle, along with the previous one, is the lack of tolerance for political pluralism. Even progressive ideas are many times considered dangerous by people who do not realize that the cold war is over. A pluralist democracy is not afraid of communism. On the contrary, it accepts communism, but it does not accept violence, regardless of its source. The use of weapons both to defend an ideology, as well as to fight against it, is unacceptable in a pluralist democracy.

The persons responsible for the tragic murder of Carlos Pizarro will not manage to destroy what has been been achieved, that is, a clear, viable, and defined path to peace. The obligation we have ahead of us and that, united, we will carry out is to keep that path of peace open.

All Colombians admire the peace initiatives of the M-19, and we share the grief of the relatives and followers of Carlos Pizarro, because their sadness and anger is shared by all Colombians who love peace. Facts show that the M-19 members wisely adopted the decision to rejoin democracy and remain in democracy, to struggle for peace, and to promote legally the reforms they consider necessary.

When they abandoned their weapons, they did not abandon the struggle for their ideals. They have all their rights, because they are no longer a guerrilla group. M-19 is now a political party, with all rights and duties of a political party and whose ideas should be tolerated. Those who, through violence, are trying to bring down the M-19 flag and to prevent its candidates from running in the elections and to stop them from conducting political campaigning, are not just the enemies of that movement, they are the enemies of peace. They are trying to destroy the path that was built for the reincorporation of the guerrilla groups into civilian life.

The material and intellectual authors of Carlos Pizarro's murder are the enemies of democracy, because they hope to sabotage the elections and prevent new opportunities for political participation. The government will not allow the voice of M-19 to be silenced. Therefore, the government yesterday requested airtime on television so that Antonio Navarro Wolff, leader of that party, could convey his feelings to all Colombians.

I am happy that Navarro, over the television, called for common sense and for Pizarro's funeral to be conducted in peace tomorrow. In accordance with the law, the government will continue to do everything possible so that M-19 and the other political parties can carry on their campaign activities. The government and I have fully supported the Army, the police, the DAS [Administrative Department of Security], and all of the authorities charged with maintaining order. These agencies are aware of their responsibilities and are making great efforts to carry out their duties efficiently.

At this time, there is a tendency to overlook the results achieved in the struggle against the violent ones and the significant progress achieved. I understand the impatience and the desire for definitive results against not only drug trafficking but all other expressions of violence as well.

I will now mention some of the measures that complement those that have already been taken. The government has proposed the creation of a high-level commission, in which the political parties are represented, to follow-up the electoral process and to assess the security measures that the public force and the security organizations have been providing for all candidates. This commission can by itself propose new measures to reinforce the electoral guarantees in these various areas. In addition, the government minister and those in charge of security will meet with representatives of each of the political campaigns to consider the existing protection measures. The commission met with M-19 at the Security Council today and will meet with the other political movements sometime in the next few days.

The government has made efforts to provide the best possible protection for all of the candidates. The government will continue to work to reduce the risk to each of the candidates to its lowest level. For this reason, the goverment will revise the existing situation regarding mobilization and location of the candidates. Also, the government will double the number of elite policemen, who have demonstrated the greatest efficiency in the struggle against drug terrorism and the paramilitary groups. The 1st Army Division commander has been assigned the specific task of coordinating all forces, security agencies, and military operations in the Medellin area.

The country knows that this government has encouraged a broad, participative constitutional reform process. Two years ago, the government proposed a plebiscite and then presented to the Congress a constitutional amendments bill. In this way, the government interpreted the national feeling, which demands a more efficient administration of justice and even more stringent antiterrorist measures, for which it is necessary to amend the Constitution. The government also echoed the people's call for stronger institutions and a more efficient and representative Congress. Colombians know that the current evils will be definitively overcome by expanding and strengthening our democracy even further, creating opportunities for the citizens' participation in the decisions that concern them most.

I want to reaffirm that the government is determined to do eveything necessary so that in the next elections we can pave the way for constitutional reforms.

When the convergence of opinions on the fundamental aspects of the creation of a constituent assembly is made public, the government will contribute toward the counting of the relevant ballot papers.

The government believes it is necessary to reduce as much as possible the risk for each of the candidates. Despite the strict security measures taken by Carlos Pizarro, the suicidal calling of a hired assassin at the service of evil interests ended his life.

In view of these totally irrational methods, large numbers of bodyguards, bulletproof vests, and practical security measures could help, but they are not enough.

It is necessary for authorities and campaign officials to take maximum precautionary measures. There must be more modern and direct communication with the people.

I admire the courage of the candidates who have gone to public squares, but we all know that the health of democracy and the stability of institutions depends on the lives of the candidates.

So this campaign can take place under the best of conditions without the need for candidates to run the risks involved in traditional forms of proselytism, the government has decided to increase television time for the presidential candidates of the parties and movements that are represented in Congress, on both national and regional channels.

In addition, the government will allow the free use of radio stations for the same purpose and will give more opportunities for advertisements. We are trying for a more modern campaign in which new techniques can be used to explain the programs of the candidates so that they can make direct contact with citizens and their families in their own homes.

Besides, the government will intensify its civic campaign by inviting all citizens to vote in the next elections. Their vote for any of the candidates, or even a blank vote, is an expression of the people's rejection of violence. It is a way of resolving conflicts by peaceful and democratic means.

To actively participate in the next elections is to vote for peace, for democracy and tolerance. Amid the situation in which this country is living, voting is an obligation. No citizen with a right to vote can afford to remain at home and remain indifferent.

The media can make a significant contribution toward peace and democracy if, on their own initiative, they launch a great civic campaign to vigorously stimulate the citizens to participate in the coming elections.

Fellow citizens, I know that you are asking yourselves what can be done under these circumstances. Above all, do not play up to terrorism. The interests of the fatherland are above all individual or group interests, as is the defense of our democracy, which we have all been building together for more than a century. This cannot be the time of opportunism. This is the hour of solidarity with the country, its people, and its institutions. The effectiveness of these measures and the actions of the public force depend, first of all, on the solidarity of the citizens. The results will be as encouraging and as favorable as the cooperation of the citizens. To regain tranquillity is not the exclusive responsibility of the Armed Forces or the state. It is a task in which each of us has something to contribute.

Colombia has successfully overcome even more difficult moments. It has faced the situation decisively and emerged victoriously from even more uncertain situations. That past has created solid institutions. For this reason, I am sure that democracy will triumph and that those who commit violence, regardless of who they may be, will be punished. I am sure that we will continue to progress along the path of peace, tolerance, and respect for life and human dignity. Good night.

Liberal Candidate Reflects on Pizarro Killing

PA2704221490 Bogota Inravision Television Cadena 1 in Spanish 1645 GMT 27 Apr 90

[Statement by Liberal Party Presidential Candidate Cesar Gaviria Trujillo; date and place not given—live or recorded]

[Text] Colombians, during these months of national tragedy we have been hit by events over and over again. Violence strikes the hearts of our institutions, values, democracy, and our best men. The ultimate goal of those engaged in violence is to prevent democracy from functioning. That is why they have unleashed their evil against options for changes that could strengthen democracy and prevent violence in Colombia. Brave Colombians have been murdered, one by one. Their existence was a threat to the survival of violent practices. It is not a coincidence that during the current electoral campaign three presidential candidates have been murdered. It is not a coincidence either that other brave minds that advocated reform had been killed before in that struggle.

Rodrigo Lara, who was murdered six years ago on 23 April, was the first to denounce the grave effects of drug trafficking on the stability of our institutions. Those who killed him wanted to open paths for the so-called tolerance of crime.

Guillermo Cano, a brave reporter, represented a free, critical press, such as is needed in a true democracy. His killers thought that by drowning out his voice they would intimidate the defenders of freedom of speech.

Luis Carlos Galan was killed eight months ago. By killing him, they sought to assassinate a hope of renovation and change, and a deep conviction for the need to radically transform political habits and the climate of corruption, immorality, and indifference in the face of crime. This indifference led to the emergence of the great evils that are causing bloodshed in the country.

Bernardo Jaramillo struggled for a peaceful, democratic left that rejected armed struggle and that wanted to build a more just society. By killing him, the criminals sought to block the paths to legitimate protest within the law.

Carlos Pizarro, the last link in this macabre chain that includes so many others, represented the possibility for guerrilla groups to lay down their weapons and join institutional politics, or for weapons to be replaced by legal instruments to struggle for legitimate ideals. By killing him in a dastardly and cowardly manner yesterday, they sought to destroy the process of reconciliation and the reincorporation of armed groups into civilian life.

The death of our countrymen should not be in vain. It strikes deep in our hearts. It affects the spirit profoundly. It must, therefore, awaken the national conscience, because those crimes are not merely vile crimes against unarmed great men who believed in the strength of ideals. These have been crimes against our basic values, against the clean ideals of progress and peace which these men represented. We must not be mistaken. Those who killed our leaders did not extinguish the noble cause for which they gave their lives. Their values will prevail. They are our values. Their hopes still live. Those hopes belong to all Colombians. Their dream will never disappear. It is the dream we all have of attaining peace and prosperity. That is why I praise what Antonio Navarro said last night: "I invite the M-19 [19 April Movement] to continue walking along the path that Pizarro charted. Terrorism's goal has been to close the paths to change, renovation, and reform."

Our path, on the contrary, is to make peaceful, democratic revolution viable. It is a revolution of hope. This deep crisis will not be solved by restrictions and limitations imposed on the instruments of democracy, but by the united efforts of all good Colombians to repair the roads to change, renovation, and reform.

Our democracy is being threatened from many sides. It is being threatened by the extreme right and left. On each side there are powerful criminal organizations mercilessly devoted to practice intolerance, hatred, and the most villainous violence in an attempt to found an empire based on evil and crime.

We have reached this situation because of the way we have evaded Colombia's problems for so many decades. We have coexisted with poverty, misery, and wretchedness. We have permitted aberrant privileges. But, above all, we have allowed criminal activities to prosper. We reached this point because we allowed drug trafficking to penetrate our society in a climate of misunderstood tolerance and total impunity. Later on, when the owners of the ill-gotten money purchased vast tracts of land, they began financing paramilitary groups to confront the guerrillas who were threatening or blackmailing them.

In the beginning, these groups prospered amid the indifference or complicity of certain authorities who viewed them as a minor threat or as a way to confront the violence and abuses committed by the guerrillas.

Within this context, the majority of these groups that served drug trafficking became the most sinister machines of barbaric actions ever known to Colombians. They are responsible for the death of our leaders: Galan, Jaramillo, and Pizarro.

But they will not stop us. The people who love peace and democracy are the majority of Colombians. We are going to face these huge challenges with determination, courage, true political will, and a clear understanding of our objectives.

The objective of our frontal assault on drug trafficking is fully valid. What Colombians are truly concerned about are the paltry results of the action carried out by the authorities against the criminal organizations.

The struggle against the paramilitary groups must be part of a government policy with the same priority and intensity given to the struggle against drug trafficking. Rhetorical statements condemning them or bans to prevent them from forming political parties are not good enough.

All political and social forces of this nation must assume a clear commitment: to dismantle these groups and punish those who are responsible for them.

Concerning the guerrillas, we will also assume the most firm and decisive attitude. In the face of their outrageous abuses, we must respond with the action of our armed forces so that these organizations will understand that, in the name of political solutions, the public will not give them an unlimited opportunity to preach or justify violence.

Political changes must be made by our government and parties and not as a result of commitments to armed groups. These problems are not only those of the government and the armed forces. They are the problems of our entire nation; all of us.

We must pledge to find a true policy to completely isolate those who preach or justify violence from the public. We must return to the idea that, in the struggle against crime and in the search for criminals, our authorities have more credibility than the criminals.

The main national objective will be to return to our authorities their tools to fight crime and, to our justice system, its ability to investigate and punish criminals. It is unbelievable that Colombia, which considers itself a country of laws, has wound up rendering its judges defenseless. It has wound up putting its best young political leaders at the mercy of powerful criminal organizations.

We must improve and dignify justice. The main thing is to give a sense of organization to justice so that, through a special jurisdiction, an exceptional procedure, a system of institutional protection for the judges, and the

building of secure prisons, we can punish drug traffickers, the narcoterrorists, the paid assassins, the promoters of paramilitary groups, and terrorist guerrillas.

We have to achieve two primary objectives: We must fundamentally alter weak and outdated institutions that no longer have anything to do with the huge challenges of criminality and with the aspirations of the Colombian people, and we must restore the reign of the Constitution and the laws.

Our survival as a civilized society and a democracy depends on the respect that all members of society have for the legal order. Our survival also depends on power being in the hands of the Colombian state. It depends on our commitment to disband all the armed organizations that act outside the law. This must be a commitment by all the political and social forces in the struggle against violence and crime and in defense of our state of law. With the vain hope of a temporary respite, we cannot continue to surrender piece by piece what is left of our legal system and our institutions.

I have had 24 hours for deep thought, and I have reached the same conclusion that I have maintained for the past few months. It is the time for clarity and courage and not for negotiation and dialogue with terrorism. It is time to face it. The demented attacks we are the victims of leave us no option but to face terrorism. Terrorism must be faced without concessions. Reiterating principles, we will struggle against terrorism until it is defeated, without ever eluding the responsibility inherent in the leadership we demand. To struggle means to be ready for whatever may come and to accept the risk, even if there is an increase in assassinations. The promoters of terrorism will not prevail against the united determination of the nation. In the face of this immense adversity, we will rebuild our justice system.

All of Colombia must stand up. Our responsibility to our children and the future is undergoing a trial by fire. We cannot fail in this mission. Impunity is the main source of violence. If we lower our guard at this time, we would be surrendering our principles to the killers of our democracy.

An evil action of this magnitude would be a serious blot on our historical legacy.

Colombians, we are facing one of the most serious crises in our history. We cannot let it become a blind alley. Instead, we must turn it into a great opportunity to tackle the nation's problems. As I said yesterday, we will get in touch with all political forces—the M-19 and the Patriotic Union, which have been the most severely hurt by the criminals' onslaught, as well as the Conservatives and Social Conservatives—to review the deep crisis in our institutions and to secure the continuity of our democracy.

We must find an antidote to violence by uniting and strengthening democracy beyond party lines. Because I know the patrotic calling of our leaders, because I have the will to guide the nation through this difficult period, I know that we will find imaginative, daring, and realistic solutions to Colombia's problems. We will leave the violent nightmare behind. We will restore Colombia's optimism, and faith in a better future for our children and for new generations of Colombians. This will be a long drive of toil and change. We will endure it together with all of Colombia's political and social forces. United under a framework of equality and social justice, all of us together will defeat the violent ones and will make our nation a prosperous and peaceful nation with the help of Colombia's God.

Electoral Poll Favors Gaviria

PA2704145090 Paris AFP in Spanish 0257 GMT 26 Apr 90

[Text] Bogota, 25 Apr (AFP)—The young Liberal Party presidential candidate Cesar Gaviria today projected himself as the probable new Colombian president, based on the results of an opinion poll published one month before the presidential elections.

The survey, conducted by the private firm National Consultation Center and published by Bogota's daily EL TIEMPO, showed Gaviria with a broad lead over his immediate contenders, who are candidates for the opposition Conservative Party [PC], which will go divided to the 27 May elections.

Gaviria, 43, a former economy and government minister in the current government of President Virgilio Barco who inherited the presidential candidacy after the assassination of Luis Carlos Galan, obtained 60.1 percent of the potential votes, according to the survey.

He was followed by Alvaro Gomez, who received 18.3 percent, and Rodrigo Lloreda, with 13 percent.

Gomez, who announced his candidacy only two weeks ago, is backed by the so-called "National Salvation Movement," although he has always been a PC member.

Lloreda is the traditional representative of the Social Conservative Party, which follows the guidelines of former President Misael Pastrana Borrero, who has an old quarrel with Gomez. The most surprising fact the poll revealed is the position that Gomez obtained over Lloreda, his fellow party-member and electoral adversary, considering that Lloreda has been campaigning for a longer period and has the PC's support.

Fourth in the electoral preferences, according to the same survey, is former guerrilla Carlos Pizarro, the candidate for the recently dissolved subversive M-19 [19 April Movement], who obtained 4.3 percent of the potential votes.

The survey, which reflected the opinions of 1,835 voters in the 18-35 age bracket, shows that 83 percent of all Colombians are in favor of calling a constituent national

assembly to amend the current Constitution. The government has not yet decided if it will take advantage of the 27 May elections to ask the people if they want a constituent assembly.

Candidate Suggests 'Triumvirate' To Solve Crisis

PA2704184490 Bogota Radio Cadena Nacional in Spanish 1712 GMT 27 Apr 90

[Text] Bogota—National Salvation Movement presidential candidate Alvaro Gomez Hurtado today proposed to the government of President Virgilio Barco Vargas that a triumvirate be formed to resolve the country's crisis and the public order problems.

This proposal, Gomez explained, is not a coup d'etat, but rather a parallel instrument with which to seek a solution to the public order situation without affecting the legal structure.

He told Radio Cadena Nacional yesterday that, in view of a lack of authority, the people must be summoned. Today, he made his proposal more specific, suggesting the formation of a triumvirate or a board that would help the government in public order matters and in the application of the constitution in these matters.

It would not be a political group. It would be a triumvirate made up of prominent men who inspire confidence, but who are not members of the government, Gomez Hurtado told this station.

Barco must do something before his term is up, he stressed, adding that Colombia has not been united about anything. Yesterday, he said, the people did not know who to turn to, and, while everyone expressed indignation, such expressions are useless.

A few minutes ago, in a conversation with this station, Gomez Hurtado said that the triumvirate he is proposing to replace the president in handling the public order situation would not affect the Constitutional order. He said he hopes President Barco accepts his suggestion without any formalism.

It would be a political delegation of duties without legal implications, Gomez Hurtado said, adding: This must be made clear; it would be political, not juridical.

He noted that the triumvirate must be viewed as a transitory means of seeking solutions to the public order problem, and that it would expire on 7 August. What we want, he said, is for the authorities to accept the measures recommended by the triumvirate.

Bomb Explodes in Medellin; Police Thwart Attack

PA2704141490 Bogota Radio Cadena Nacional in Spanish 1200 GMT 27 Apr 90

[Text] A small bomb exploded in the municipality of Yumbo this morning, but, according to police in El Valle, there were no casualties. There is total calm and the authorities have adopted measures to maintain law and order. Yumbo is the M-19's [19 April Movement] political stronghold.

In the past few hours two men riding a motorcycle threw a bomb at a medical center on 49th Street and 78th Avenue in northeastern Medellin. The bomb caused slight injuries to a policeman on duty and also damaged a sand receptacle. One of the two men was arrested.

Meanwhile, church officials in Medellin reported a thwarted attack yesterday against Cardinal Alfonso Lopez Trujillo. Two men dressed as policemen went to the bishop's residence claiming they were going to inspect the building. However, it was confirmed that they were criminals bent on attacking the cardinal, according to church officials. Radio messages sent by the two men were intercepted by the church officials, who adopted the necessary security measures. The church issued a communique, although police claimed to know nothing about the incident.

Paraguay

FMLN Leader Denied Entrance to Nation

PY2804170690 Asuncion ABC COLOR in Spanish 28 Apr 90 p 2

[Text] The new Popular Democratic Party (PDP) [Partido Democratico Popular] yesterday charged that "Silvio Pettirossi" International Airport officials did not allow Ernesto Cisneros Zelayandia, a member of the diplomatic commission of the Farabundo Marti Liberation Front (FMLN) of El Salvador, to enter the country. Cisneros was invited to attend the PDP's founding congress, which is scheduled to open today.

In a communique, the PDP reports that Cisneros arrived in our country on an Iberia flight, but that after being delayed for an hour at the airport, he was forced to leave for Sao Paulo (Brazil) on board the same plane.

The PDP, a leftist party, holds the Paraguayan Government responsible for not allowing Cisneros to enter the country.

The PDP charges that "this action violates the right of free travel of an individual who, carrying the required documents, tried to enter Paraguay to contact local democratic and popular organizations and to attend the PDP founding congress."

The PDP also reports that the Paraguayan Embassy in Montevideo "remains silent" regarding a request to enter Paraguay by a member of the Communist Party of Cuba. This person was also invited by the PDP to attend its founding congress.

Asked about the PDP charges, Interior Ministry Under Secretary Hugo Estigarribia said that he had no information about it. He said the problem must have been the

lack of the required visa. "It could have been nothing else," Estigarribia concluded.

Government Complains to Brazil Over Stroessner

PY2804200890 Asuncion ABC COLOR in Spanish 28 Apr 90 p 11

[Text] The Paraguayan Government has lodged a complaint with Brazil over remarks made by former President Alfredo Stroessner to a London newspaper from his place of asylum in Brasilia. After a Cabinet meeting held yesterday at government palace, Foreign Minister Luis Maria Argana said: "It was a rather friendly complaint as is fitting between two countries maintaining good relations." He also announced that Paraguay has conveyed its solidarity with the Republic of Colombia and has condemned the drug trade.

After the Cabinet meeting, which was chaired by President Andres Rodriguez, Argana said that the president referred "in favorable terms to the dinner he had this week with leaders of the Colorado Party." Argana added that he had briefed Rodriguez about the meeting he held with Brazilian Ambassador Orlando Soares Carbonar, to whom he conveyed Paraguay's concern about Stroessner's remarks. Argana said Stroessner has abused his rights of asylum.

Argana said he has asked the Brazilian ambassador to convey this concern to his government and "somehow, to make Stroessner comply with his duties as an exile."

Peru

Presidential Runoff Election Called for 3 June

PY2804131690 Lima Television Peruana in Spanish 1100 GMT 28 Apr 90

[Text] National Electoral Court President Carlos Castaneda has announced that the [presidential] runoff election will be held on Sunday, 3 June.

Vargas Llosa Breaks Silence, Admits 'Mistakes'

PY2804033890 Lima Television Peruana in Spanish 0100 GMT 28 Apr 90

[Text] Today Fredemo [Democratic Front] presidential candidate Mario Vargas Llosa recognized the mistakes of his campaign in the first round of the election. Vargas Llosa said he will continue to speak as frankly as usual and that his message in the runoff will be directed not to the intelligentsia [as heard] but to the great majority of Peruvians. He made these statements in a message to the nation after his protracted healing treatment through silence.

[Begin Vargas Llosa recording] Dear fellow countrymen, you already know that if by withdrawing from the runoff election I could have helped end the chaos in which we live I would have done so. As a Peruvian who loves his country I had the duty to contribute to any solution interpreting the vote of two-thirds of the people who voted for change on 8 April.

For these reasons, because I love my country and because Peru needs a real change, I have decided to contest this election and do everything possible, within my own clean and decent rules, to win it. The election is crucial for the country because our future and that of our children depend on it.

The campaign has taught me much about Peru and myself. Some people say that my greatest mistake was to voice the truth without disguise. For instance I have said that to modernize our fatherland and eliminate poverty we have to pay an unavoidable price. If that was my mistake, I do not regret it. One of the rules I promised myself to respect was not to lie to the people as many politicians do, even though I lose votes by doing so. In the runoff I will continue talking with the same frankness.

But I also admit making other mistakes. I admit them honestly and humbly. For instance the excess publicity, particularly the excess spending and show which cooled down my message and opened a breach between myself and the most humble of Peruvians.

The way we exposed our program made many people think that our proposals were cold and dehumanized. Our proposals talked about justice, freedom, and modernity, but without feelings, solidarity, and compassion.

This was not our intention dear countrymen. The truth was that I decided to run because I wanted to work for the little guy, the humble and poor Peruvian, not for the rich ones. But this was not clearly understood by many people. This fact, without a doubt, explains why on 8 April you granted me a relative victory, not an absolute triumph. It has been a good lesson and I hope to learn from it.

This time I will do the utmost to reach every Peruvian with my message for change in freedom. It will be directed not only to the minds but also to the hearts of the Peruvian people to convey the message that just as most independents—who always decide elections— I want a change for the better, because there are also changes for the worse. The solutions we propose are not theories. They are practical answers to the problems I have discovered in different corners of the country during the past two years of touring the country tirelessly.

I will also multiply my efforts, using the international contacts I have made as a writer, to obtain international support for these changes and to thrust the country toward a renewal in freedom, with more jobs, prices that do not increase, improved transportation, water and electricity in every home, and a good education for our children and youngsters.

A change of this importance cannot be made with vague promises or mere smiles. It requires a lot of work, real plans and teams of experts and able professionals. [end recording]

Official on Reported Presence of Pablo Escobar

PY3004032090 Lima Television Peruana in Spanish 0100 GMT 30 Apr 90

[Excerpts] General (Edgar Flores), an antiterrorist division commander, has confirmed that several subversives have been arrested in an operation carried out before dawn today near Congress Building.

General (Flores) declined to specify whether one of those arrested was involved in the assassination of Felipe Santiago Salaberry, a former chairman of the Peruvian Social Security Institute. He declined to make any comments until a proper investigation is completed.

Moreover, Flores also commented on the possible presence in Peru of M-19 [19 April Movement] [as heard] leader Pablo Escobar Gaviria.

[Begin recording] [Reporter] It seems that an MRTA [Tupac Amaru Revolutionary Movement] member connected with the assassination of Felipe Santiago Salaberry was arrested before dawn today.

[(Flores)] Several people have been arrested, and one of them has been placed at the disposal of the courts. The case is under investigation.

[Reporter] But is it true that the police also found a notebook containing information on the kidnapping of [television businessman] Delgado Parker: blueprints, etc.?

[(Flores)] You know more than I do.

[Reporter] This information is published in today's newspapers.

[(Flores)] Indeed, some documents have been found, but all this will be clarified by the investigation under way. There is a legal 15-day deadline to report the conclusions of the investigation. [passage omitted]

[Reporter] There are other reports stating that Pablo Escobar Gaviria is reportedly in Peruvian territory and that he entered the country through Huaquillas. What information do you have in this regard?

[(Flores)] We have no specific information about this issue, but we are closely following the movements of all these individuals. [passage omitted] [end recording]

Guyana

President Declares Brazilian Mining Illegal

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[Text] Georgetown, Guyana, April 27 (CANA)—President Desmond Hoyte says that the Guyana Government has not given permission for Brazilian miners to operate in the country's mineral-rich Potaro-Siparuni area in Eastern Guyana which shares a border with Brazil. All mining activities by the Brazilians in the region are therefore illegal, the official Guyana Public Communications Agency (GPCA) reported Hoyte as saying.

The agency said the president was responding to complaints by the captain of an Amerindian village in the region. The agency reported that Captain Alcide Alphonso of Kanapaog told the president, who was visiting the area to meet and talk with residents, that Amerindian residents in the north Pakaraimas were becoming increasingly alarmed about the number of Brazilian miners who were operating on their lands especially in areas such as Monkey Mountain, Orinduik, and other border points. GPCA said Hoyte told the residents that the government viewed this encroachment on Amerindian lands and the illegal exploitation of the resources of the region as a matter of grave concern. He also stressed that his government had taken steps to curb this practice and he called on the leaders and the residents of the area to channel information concerning the activities of illegal Brazilian miners to regional officials and to the police.